

**REQUEST FOR FUNDING
FOR
QUAIL RIDGE APARTMENTS
1105 CAPITAL CIRCLE NW
TALLAHASSEE, FLORIDA**

**LEON COUNTY HOUSING FINANCE AUTHORITY
918 Railroad Avenue
Tallahassee, FL 32310
850-488-7790
Fax: 850-922-4749**

**DECEMBER 4, 2003
BOARD MEETING**

**PRESENTED BY:
CORNERSTONE GROUP DEVELOPMENT LLC
Rob Ippolito, Vice President
2029 Morning Dove Road
Tallahassee, FL 32312
850-591-0856
FAX: 850-893-9498
EMAIL: rob@velocityonline.net**

EXECUTIVE SUMMARY

Cornerstone Group Development is proposing the development of a +/-160 unit multifamily affordable apartment project to be located in west Leon County. The proposed development will be located approximately one quarter mile south of Highway 90 (Tennessee Street) on the east side of Capital Circle Northwest on +/- 10.46 acres.

It is our intent to apply for Low Income Housing Tax Credits from the Florida Housing Finance Corporation (FHFC) in the 2004 Universal Application Cycle in which applications are due March 5, 2005. Based on the current scoring criteria for the upcoming application cycle, the proposed development Quail Ridge Apartments would receive the maximum points possible for proximity criteria. Additionally, the proposed project is located in a Qualified Census Tract – an area designated by HUD as having more than half of the households at an income that is less than 60% of the area median gross income, or a poverty rate of at least 25 percent. We believe this is a viable project that will enhance the area and serve the very low-income population in Leon County.

A key component of this proposal is the FHFC's application requirement for a local government contribution for projects of this nature. It is for that reason that Cornerstone Group Development requests from the Leon County Housing Finance Authority funding for the local government contribution in the amount of a \$100,000 grant or an estimated \$155,000 loan, subject to the final discount rate set by the Florida Housing Finance Corporation.

ATTACHMENTS:

The following attachments are enclosed to provide more detailed information on the Quail Ridge Apartments proposal:

- Local Government Contribution Calculation
- Project Location and Proximity Scoring Maps
- Letter of Support
- Project Development Proforma
- Cornerstone Development Experience
- Population Served
- References
- Cornerstone Group Brochure

Local Government Contribution Calculation

Quail Ridge**PV OF LOCAL SUBSIDY****GOVSUPP****A. LOCAL SUBSIDY**

NOTE AMOUNT

\$155,000

B. TERMS

INTEREST RATE

0.00% no principal, no interest for 15 years

INTEREST RATE

1.50% P&I for years 16-30

AMORTIZATION

15 years, starting in year 16

TERM

30 years

MONTHLY PAYMENT

\$962 during years 16 - 30

ANNUAL PAYMENT

\$11,546

C. DISCOUNT RATE (2003 app less 1%)

5.790% annual

0.483% monthly

D. VALUE OF DISCOUNTED PMTS.

\$48,591

E. VALUE OF SUBSIDY**\$106,409.24 (A less D)**

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Attachment # 1Page 5 of 68*Quail Ridge***BACK UP TO PV CALCULATIONS**

MONTH	MONTHLY PAYMENT	PV FACTOR	PRESENT VALUE OF PMTS.	BEGIN BALANCE	INTEREST	PRINCIPAL
1	0	1.00	0	155,000	0	0
2	0	0.99	0	155,000	0	0
3	0	0.99	0	155,000	0	0
4	0	0.98	0	155,000	0	0
5	0	0.98	0	155,000	0	0
6	0	0.97	0	155,000	0	0
7	0	0.97	0	155,000	0	0
8	0	0.96	0	155,000	0	0
9	0	0.96	0	155,000	0	0
10	0	0.95	0	155,000	0	0
11	0	0.95	0	155,000	0	0
12	0	0.94	0	155,000	0	0
13	0	0.94	0	155,000	0	0
14	0	0.93	0	155,000	0	0
15	0	0.93	0	155,000	0	0
16	0	0.93	0	155,000	0	0
17	0	0.92	0	155,000	0	0
18	0	0.92	0	155,000	0	0
19	0	0.91	0	155,000	0	0
20	0	0.91	0	155,000	0	0
21	0	0.90	0	155,000	0	0
22	0	0.90	0	155,000	0	0
23	0	0.90	0	155,000	0	0
24	0	0.89	0	155,000	0	0
25	0	0.89	0	155,000	0	0
26	0	0.88	0	155,000	0	0
27	0	0.88	0	155,000	0	0
28	0	0.87	0	155,000	0	0
29	0	0.87	0	155,000	0	0
30	0	0.87	0	155,000	0	0
31	0	0.86	0	155,000	0	0
32	0	0.86	0	155,000	0	0
33	0	0.85	0	155,000	0	0
34	0	0.85	0	155,000	0	0
35	0	0.84	0	155,000	0	0
36	0	0.84	0	155,000	0	0
37	0	0.84	0	155,000	0	0
38	0	0.83	0	155,000	0	0
39	0	0.83	0	155,000	0	0
40	0	0.82	0	155,000	0	0
41	0	0.82	0	155,000	0	0
42	0	0.82	0	155,000	0	0

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MONTH	MONTHLY PAYMENT	PV FACTOR	PRESENT VALUE OF PMTS.	BEGIN BALANCE	INTEREST	PRINCIPAL
43	0	0.81	0	155,000	0	0
44	0	0.81	0	155,000	0	0
45	0	0.81	0	155,000	0	0
46	0	0.80	0	155,000	0	0
47	0	0.80	0	155,000	0	0
48	0	0.79	0	155,000	0	0
49	0	0.79	0	155,000	0	0
50	0	0.79	0	155,000	0	0
51	0	0.78	0	155,000	0	0
52	0	0.78	0	155,000	0	0
53	0	0.77	0	155,000	0	0
54	0	0.77	0	155,000	0	0
55	0	0.77	0	155,000	0	0
56	0	0.76	0	155,000	0	0
57	0	0.76	0	155,000	0	0
58	0	0.76	0	155,000	0	0
59	0	0.75	0	155,000	0	0
60	0	0.75	0	155,000	0	0
61	0	0.75	0	155,000	0	0
62	0	0.74	0	155,000	0	0
63	0	0.74	0	155,000	0	0
64	0	0.73	0	155,000	0	0
65	0	0.73	0	155,000	0	0
66	0	0.73	0	155,000	0	0
67	0	0.72	0	155,000	0	0
68	0	0.72	0	155,000	0	0
69	0	0.72	0	155,000	0	0
70	0	0.71	0	155,000	0	0
71	0	0.71	0	155,000	0	0
72	0	0.71	0	155,000	0	0
73	0	0.70	0	155,000	0	0
74	0	0.70	0	155,000	0	0
75	0	0.70	0	155,000	0	0
76	0	0.69	0	155,000	0	0
77	0	0.69	0	155,000	0	0
78	0	0.69	0	155,000	0	0
79	0	0.68	0	155,000	0	0
80	0	0.68	0	155,000	0	0
81	0	0.68	0	155,000	0	0
82	0	0.67	0	155,000	0	0
83	0	0.67	0	155,000	0	0
84	0	0.67	0	155,000	0	0

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MONTH	MONTHLY PAYMENT	PV FACTOR	PRESENT VALUE OF PMTS.	BEGIN BALANCE	INTEREST	PRINCIPAL
85	0	0.66	0	155,000	0	0
86	0	0.66	0	155,000	0	0
87	0	0.66	0	155,000	0	0
88	0	0.65	0	155,000	0	0
89	0	0.65	0	155,000	0	0
90	0	0.65	0	155,000	0	0
91	0	0.65	0	155,000	0	0
92	0	0.64	0	155,000	0	0
93	0	0.64	0	155,000	0	0
94	0	0.64	0	155,000	0	0
95	0	0.63	0	155,000	0	0
96	0	0.63	0	155,000	0	0
97	0	0.63	0	155,000	0	0
98	0	0.62	0	155,000	0	0
99	0	0.62	0	155,000	0	0
100	0	0.62	0	155,000	0	0
101	0	0.61	0	155,000	0	0
102	0	0.61	0	155,000	0	0
103	0	0.61	0	155,000	0	0
104	0	0.61	0	155,000	0	0
105	0	0.60	0	155,000	0	0
106	0	0.60	0	155,000	0	0
107	0	0.60	0	155,000	0	0
108	0	0.59	0	155,000	0	0
109	0	0.59	0	155,000	0	0
110	0	0.59	0	155,000	0	0
111	0	0.59	0	155,000	0	0
112	0	0.58	0	155,000	0	0
113	0	0.58	0	155,000	0	0
114	0	0.58	0	155,000	0	0
115	0	0.57	0	155,000	0	0
116	0	0.57	0	155,000	0	0
117	0	0.57	0	155,000	0	0
118	0	0.57	0	155,000	0	0
119	0	0.56	0	155,000	0	0
120	0	0.56	0	155,000	0	0
121	0	0.56	0	155,000	0	0
122	0	0.56	0	155,000	0	0
123	0	0.55	0	155,000	0	0
124	0	0.55	0	155,000	0	0
125	0	0.55	0	155,000	0	0
126	0	0.55	0	155,000	0	0

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Quail Ridge BACK UP TO PV CALCULATIONS							
MONTH	MONTHLY PAYMENT	PV FACTOR	PRESENT VALUE OF PMTS.	BEGIN BALANCE	INTEREST	PRINCIPAL	
127	0	0.54	0	155,000	0	0	
128	0	0.54	0	155,000	0	0	
129	0	0.54	0	155,000	0	0	
130	0	0.53	0	155,000	0	0	
131	0	0.53	0	155,000	0	0	
132	0	0.53	0	155,000	0	0	
133	0	0.53	0	155,000	0	0	
134	0	0.52	0	155,000	0	0	
135	0	0.52	0	155,000	0	0	
136	0	0.52	0	155,000	0	0	
137	0	0.52	0	155,000	0	0	
138	0	0.51	0	155,000	0	0	
139	0	0.51	0	155,000	0	0	
140	0	0.51	0	155,000	0	0	
141	0	0.51	0	155,000	0	0	
142	0	0.50	0	155,000	0	0	
143	0	0.50	0	155,000	0	0	
144	0	0.50	0	155,000	0	0	
145	0	0.50	0	155,000	0	0	
146	0	0.50	0	155,000	0	0	
147	0	0.49	0	155,000	0	0	
148	0	0.49	0	155,000	0	0	
149	0	0.49	0	155,000	0	0	
150	0	0.49	0	155,000	0	0	
151	0	0.48	0	155,000	0	0	
152	0	0.48	0	155,000	0	0	
153	0	0.48	0	155,000	0	0	
154	0	0.48	0	155,000	0	0	
155	0	0.47	0	155,000	0	0	
156	0	0.47	0	155,000	0	0	
157	0	0.47	0	155,000	0	0	
158	0	0.47	0	155,000	0	0	
159	0	0.47	0	155,000	0	0	
160	0	0.46	0	155,000	0	0	
161	0	0.46	0	155,000	0	0	
162	0	0.46	0	155,000	0	0	
163	0	0.46	0	155,000	0	0	
164	0	0.45	0	155,000	0	0	
165	0	0.45	0	155,000	0	0	
166	0	0.45	0	155,000	0	0	
167	0	0.45	0	155,000	0	0	
168	0	0.45	0	155,000	0	0	

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Qual Ridge BACK UP TO PV CALCULATIONS						
MONTH	MONTHLY PAYMENT	PV FACTOR	PRESENT VALUE OF PMTS.	BEGIN BALANCE	INTEREST	PRINCIPAL
169	0	0.44	0	155,000	0	0
170	0	0.44	0	155,000	0	0
171	0	0.44	0	155,000	0	0
172	0	0.44	0	155,000	0	0
173	0	0.43	0	155,000	0	0
174	0	0.43	0	155,000	0	0
175	0	0.43	0	155,000	0	0
176	0	0.43	0	155,000	0	0
177	0	0.43	0	155,000	0	0
178	0	0.42	0	155,000	0	0
179	0	0.42	0	155,000	0	0
180	0	0.42	0	155,000	0	0
181	962	0.42	403	155,000	194	768
182	962	0.42	401	154,232	193	769
183	962	0.41	399	153,462	192	770
184	962	0.41	397	152,692	191	771
185	962	0.41	395	151,921	190	772
186	962	0.41	393	151,148	189	773
187	962	0.41	391	150,375	188	774
188	962	0.40	389	149,601	187	775
189	962	0.40	387	148,826	186	776
190	962	0.40	386	148,050	185	777
191	962	0.40	384	147,273	184	778
192	962	0.40	382	146,495	183	779
193	962	0.39	380	145,716	182	780
194	962	0.39	378	144,936	181	781
195	962	0.39	376	144,155	180	782
196	962	0.39	375	143,373	179	783
197	962	0.39	373	142,590	178	784
198	962	0.39	371	141,806	177	785
199	962	0.38	369	141,021	176	786
200	962	0.38	367	140,235	175	787
201	962	0.38	366	139,448	174	788
202	962	0.38	364	138,660	173	789
203	962	0.38	362	137,871	172	790
204	962	0.37	360	137,082	171	791
205	962	0.37	359	136,291	170	792
206	962	0.37	357	135,499	169	793
207	962	0.37	355	134,706	168	794
208	962	0.37	354	133,912	167	795
209	962	0.37	352	133,118	166	796
210	962	0.36	350	132,322	165	797

Quail RidgeBACK UP TO PV CALCULATIONS

MONTH	MONTHLY PAYMENT	PV FACTOR	PRESENT VALUE OF PMTS.	BEGIN BALANCE	INTEREST	PRINCIPAL
211	962	0.36	348	131,525	164	798
212	962	0.36	347	130,727	163	799
213	962	0.36	345	129,929	162	800
214	962	0.36	343	129,129	161	801
215	962	0.36	342	128,328	160	802
216	962	0.35	340	127,527	159	803
217	962	0.35	339	126,724	158	804
218	962	0.35	337	125,920	157	805
219	962	0.35	335	125,115	156	806
220	962	0.35	334	124,310	155	807
221	962	0.35	332	123,503	154	808
222	962	0.34	330	122,695	153	809
223	962	0.34	329	121,886	152	810
224	962	0.34	327	121,076	151	811
225	962	0.34	326	120,266	150	812
226	962	0.34	324	119,454	149	813
227	962	0.34	323	118,641	148	814
228	962	0.33	321	117,827	147	815
229	962	0.33	320	117,012	146	816
230	962	0.33	318	116,196	145	817
231	962	0.33	316	115,379	144	818
232	962	0.33	315	114,561	143	819
233	962	0.33	313	113,743	142	820
234	962	0.32	312	112,923	141	821
235	962	0.32	310	112,102	140	822
236	962	0.32	309	111,280	139	823
237	962	0.32	307	110,456	138	824
238	962	0.32	306	109,632	137	825
239	962	0.32	305	108,807	136	826
240	962	0.31	303	107,981	135	827
241	962	0.31	302	107,154	134	828
242	962	0.31	300	106,326	133	829
243	962	0.31	299	105,497	132	830
244	962	0.31	297	104,666	131	831
245	962	0.31	296	103,835	130	832
246	962	0.31	294	103,003	129	833
247	962	0.30	293	102,169	128	834
248	962	0.30	292	101,335	127	835
249	962	0.30	290	100,499	126	837
250	962	0.30	289	99,663	125	838
251	962	0.30	287	98,825	124	839
252	962	0.30	286	97,987	122	840

Quail RidgeBACK UP TO PV CALCULATIONS

MONTH	MONTHLY PAYMENT	PV FACTOR	PRESENT VALUE OF PMTS.	BEGIN BALANCE	INTEREST	PRINCIPAL
253	962	0.30	285	97,147	121	841
254	962	0.29	283	96,306	120	842
255	962	0.29	282	95,464	119	843
256	962	0.29	281	94,622	118	844
257	962	0.29	279	93,778	117	845
258	962	0.29	278	92,933	116	846
259	962	0.29	277	92,087	115	847
260	962	0.29	275	91,240	114	848
261	962	0.28	274	90,392	113	849
262	962	0.28	273	89,542	112	850
263	962	0.28	271	88,692	111	851
264	962	0.28	270	87,841	110	852
265	962	0.28	269	86,989	109	853
266	962	0.28	267	86,135	108	854
267	962	0.28	266	85,281	107	856
268	962	0.28	265	84,425	106	857
269	962	0.27	264	83,569	104	858
270	962	0.27	262	82,711	103	859
271	962	0.27	261	81,852	102	860
272	962	0.27	260	80,992	101	861
273	962	0.27	259	80,131	100	862
274	962	0.27	257	79,269	99	863
275	962	0.27	256	78,406	98	864
276	962	0.26	255	77,542	97	865
277	962	0.26	254	76,677	96	866
278	962	0.26	252	75,811	95	867
279	962	0.26	251	74,943	94	868
280	962	0.26	250	74,075	93	870
281	962	0.26	249	73,205	92	871
282	962	0.26	248	72,335	90	872
283	962	0.26	246	71,463	89	873
284	962	0.25	245	70,590	88	874
285	962	0.25	244	69,716	87	875
286	962	0.25	243	68,841	86	876
287	962	0.25	242	67,965	85	877
288	962	0.25	241	67,088	84	878
289	962	0.25	239	66,209	83	879
290	962	0.25	238	65,330	82	880
291	962	0.25	237	64,450	81	882
292	962	0.25	236	63,568	79	883
293	962	0.24	235	62,685	78	884
294	962	0.24	234	61,802	77	885

Quail Ridge BACK UP TO PV CALCULATIONS			PRESENT VALUE OF PMTS	BEGIN BALANCE	INTEREST	PRINCIPAL
MONTH	MONTHLY PAYMENT	PV FACTOR				
295	962	0.24	233	60,917	76	886
296	962	0.24	231	60,031	75	887
297	962	0.24	230	59,143	74	888
298	962	0.24	229	58,255	73	889
299	962	0.24	228	57,366	72	890
300	962	0.24	227	56,475	71	892
301	962	0.23	226	55,584	69	893
302	962	0.23	225	54,691	68	894
303	962	0.23	224	53,797	67	895
304	962	0.23	223	52,903	66	896
305	962	0.23	222	52,007	65	897
306	962	0.23	221	51,109	64	898
307	962	0.23	220	50,211	63	899
308	962	0.23	218	49,312	62	901
309	962	0.23	217	48,411	61	902
310	962	0.22	216	47,510	59	903
311	962	0.22	215	46,607	58	904
312	962	0.22	214	45,703	57	905
313	962	0.22	213	44,798	56	906
314	962	0.22	212	43,892	55	907
315	962	0.22	211	42,984	54	908
316	962	0.22	210	42,076	53	910
317	962	0.22	209	41,167	51	911
318	962	0.22	208	40,256	50	912
319	962	0.22	207	39,344	49	913
320	962	0.21	206	38,431	48	914
321	962	0.21	205	37,517	47	915
322	962	0.21	204	36,602	46	916
323	962	0.21	203	35,685	45	918
324	962	0.21	202	34,768	43	919
325	962	0.21	201	33,849	42	920
326	962	0.21	200	32,929	41	921
327	962	0.21	199	32,008	40	922
328	962	0.21	198	31,086	39	923
329	962	0.21	197	30,163	38	924
330	962	0.20	197	29,238	37	926
331	962	0.20	196	28,313	35	927
332	962	0.20	195	27,386	34	928
333	962	0.20	194	26,458	33	929
334	962	0.20	193	25,529	32	930
335	962	0.20	192	24,599	31	931
336	962	0.20	191	23,667	30	933

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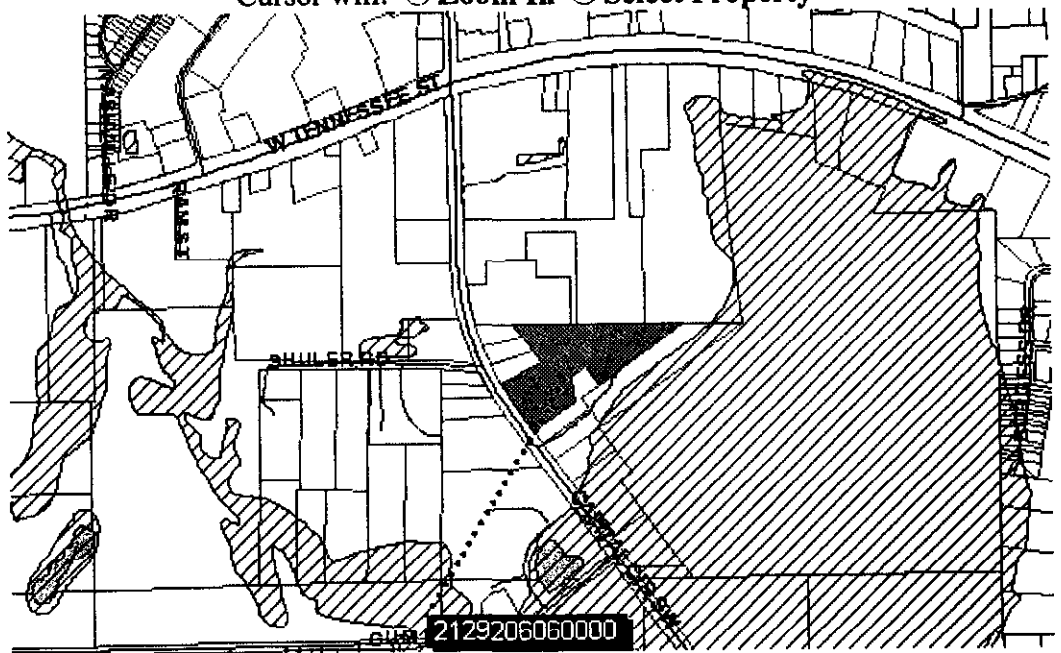
<i>Quail Ridge</i> BACK UP TO PV CALCULATIONS							
MONTH	MONTHLY PAYMENT	PV FACTOR	PRESENT VALUE OF PMTS.	BEGIN BALANCE	INTEREST	PRINCIPAL	
337	962	0.20	190	22,735	28	934	
338	962	0.20	189	21,801	27	935	
339	962	0.20	188	20,866	26	936	
340	962	0.19	187	19,930	25	937	
341	962	0.19	186	18,993	24	938	
342	962	0.19	185	18,054	23	940	
343	962	0.19	185	17,115	21	941	
344	962	0.19	184	16,174	20	942	
345	962	0.19	183	15,232	19	943	
346	962	0.19	182	14,289	18	944	
347	962	0.19	181	13,345	17	945	
348	962	0.19	180	12,399	15	947	
349	962	0.19	179	11,453	14	948	
350	962	0.19	178	10,505	13	949	
351	962	0.18	178	9,556	12	950	
352	962	0.18	177	8,605	11	951	
353	962	0.18	176	7,654	10	953	
354	962	0.18	175	6,702	8	954	
355	962	0.18	174	5,748	7	955	
356	962	0.18	173	4,793	6	956	
357	962	0.18	173	3,837	5	957	
358	962	0.18	172	2,879	4	959	
359	962	0.18	171	1,921	2	960	
360	962	0.18	170	961	1	961	
PRESENT VALUE			\$48,590.76				

Attachment #

1
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**Project Location
And
Proximity Scoring Maps**

Cursor will: ☐ Zoom In ☒ Select Property



2129206060000

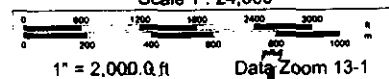
Navigation icons: Back, Forward, Home, Search, etc.

Zoom In Zoom Out Full Screen

Search by Address Search by APN Search by Owner

Find Intersection Map Size Help

Main Menu



Letter of Support



BOARD OF COUNTY COMMISSIONERS

301 South Monroe Street
Tallahassee, Florida 32301
(850) 488-4710

November 18, 2003

Commissioners:
WILLIAM C. PROCTOR, JR.
District 1
JANE G. SAULS
District 2
DAN WINCHESTER
District 3
TONY GRIPPA
District 4
BOB RACKLEFF
District 5
RUDY MALOY
At-Large
CLIFF THAELL
At-Large

PARWEZ ALAM
County Administrator
(850) 488-9962

HERBERT W.A. THIELE
County Attorney
(850) 487-1006

Mr. Allen Stucks
Leon County Housing Finance Authority
918 Railroad Avenue
Tallahassee, Florida 32310

RE: Quail Ridge Apartments

Dear Mr. Stucks,

I am familiar with Quail ridge Apartments, a 160-unit, affordable multi-family community located at 1055 Capital Circle Northwest. This community is being developed by The Cornerstone Group Development.

It is my belief that Quail Ridge will add much-needed, affordable housing to an area that has not seen any new housing in several years. Its proximity to shopping, transportation and employment makes this an ideal location for working people and their families.

I wholeheartedly support this development and respectfully request that the Housing Finance Authority do the same.

Please do not hesitate to contact me at (850) 487-4747 if you have any questions or concerns.

Sincerely,

Tony Grippa

Project Development Proforma

Local SHIP GrantQuail RidgeDEVELOPMENT COST PROFORMA**GRANT**

	<u>COST/ SQ FT</u>	<u>COST/ UNIT</u>	<u>TOTAL COST</u>	<u>TAXCRED COSTS</u>
A. Uses				
Acquisition	\$9.77	\$8,717	\$1,255,200	\$0
Impact Fees	\$0.00	\$0	\$0	\$0
W&S Fees	\$0.84	\$750	\$108,000	\$108,000
Architect	\$0.95	\$850	\$122,400	\$122,400
Engineer	\$0.39	\$350	\$50,400	\$50,400
Survey	\$0.19	\$174	\$25,000	\$10,000
Environmental/Soils	\$0.16	\$139	\$20,000	\$7,000
Borrower Legal Counsel	\$0.78	\$694	\$100,000	\$70,000
Finance Fees	\$1.66	\$1,483	\$213,500	\$5,338
Insurance	\$0.45	\$400	\$57,600	\$34,560
GL Insurance	\$1.40	\$370	\$53,280	\$0
Taxes	\$0.19	\$174	\$25,000	\$15,000
Title & Recording	\$0.47	\$417	\$60,000	\$18,000
Inspection	\$0.19	\$167	\$24,000	\$24,000
Appraisal	\$0.08	\$69	\$10,000	\$10,000
Market Study	\$0.04	\$35	\$5,000	5,000
Accounting	\$0.19	\$174	\$25,000	\$25,000
Tax Credit Fees	\$1.50	\$1,337	\$192,571	\$113,311
Construction Interest	\$1.89	\$1,688	\$243,000	\$170,100
Marketing & Start Up	\$1.36	\$1,215	\$175,000	\$0
Building Permits	\$0.78	\$694	\$100,000	\$100,000
Construction Cost	\$62.93	\$56,153	\$8,086,000	\$8,006,440
Appliances	\$0.00	\$0	\$0	\$0
Clubhouse Furniture	\$1.05	\$938	\$135,000	\$135,000
Miscellaneous	\$0.39	\$347	\$50,000	\$50,000
Seed Capital Interest	\$0.00	\$0	\$0	\$0
Rep. Reserve	\$0.00	\$0	\$0	\$0
Developer's OH	\$3.01	\$2,688	\$387,000	\$387,000
Developer's Fee	\$9.04	\$8,063	\$1,161,000	\$1,161,000
Total Uses	\$98.72	\$88,083	\$12,683,951	\$10,627,548
B. Sources				
Tax Credit Equity	\$67.40	\$60,139	\$8,660,000	\$8,660,000
1st Mortgage	\$29.19	\$26,042	\$3,750,000	\$3,750,000
Other	\$0.00	\$0	\$0	\$0
Developer Equity	\$1.35	\$1,208	\$173,951	\$173,951
Local Subsidy	\$0.78	\$694	\$100,000	\$100,000
Total Sources	\$98.72	\$88,083	\$12,683,951	\$12,683,951

GRANT

Quail Ridge

PRO FORMA NOTES

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19-Nov-2003

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1. Construction Interest Calculation

Loan	Principal	Interest rate	Avg Loan Bal Outsidg	# Mos.	Const. Interest
Mortgage	\$3,750,000	7.00%	78.00%	12	\$204,750
Bridge Loan	\$700,000	7.00%	78.00%	12	\$38,220
SHIP Loan	\$100,000	0.00%	100.00%	12	\$0
Total Const. Int't, Rounded	\$4,550,000				\$243,000

2. Tax Credit Equity

Tax Credit Basis						FHFC Leveraging	\$10,627,548
Applicable Percent		7.99%	100.00%				\$849,141
DDA/QCT	yes		Maximum credit	1,105,000	44,226		\$1,103,883
Syndication Prios, Net		99.99%	\$0.79				\$0.78
Tax Credit Equity							\$8,664,618
Equity Letter					81.49%		\$8,660,000

Equity Pay In:

Closing	4,330,000	50.00%
50% Completion	1,299,000	15.00%
75% Completion	1,299,000	15.00%
CO	866,000	10.00%
Tax Credit Determination	433,000	5.00%
8609, 1.12X DSC	433,000	5.00%

3. Finance Fees

	Principal	Fees	
Construction Loan	\$4,150,000	1.50%	\$66,750
Permanent Loan	\$4,450,000	1.50%	\$66,750
Cost of Issuance	\$4,450,000		NA
Closing Costs	\$0	0.00%	\$80,000
LC Fee		1.00%	In Above
Total Finance Fees			\$213,500
Rounded			\$213,500

4. Tax Credit Fees

Administrative Fee		8.00%	\$88,311
Application & Credit Underwriting Fee, cost review			\$25,000
Compliance Monitoring Fee	\$1,535 + \$9/unit, dsc'd back at 2.75%, for 50 years		\$79,260
Total tax credit fees			\$192,571
Underwriter			\$192,571

GRANT

Quail Ridge
PRO FORMA RENTAL RATES

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2003 MEDIAN INCOME:

\$37,200 0.00%

		95.00%	5.00%	Total					
	1	30.00%	41	2	43				
	2	55.00%	75	4	79				
	3	13.00%	21	1	22				
Unit Size	% TOTAL	# of Units	Sq. Ft./Unit	Total Sq. Ft.	% Med. Income	Gross Rent	Less: Util Allow	Net Rent	Gross Pot. Income
1/1	28.47%	41	700	28,700	50.00%	\$536	(\$84)	\$452	\$222,384
1/1	1.39%	2	700	1,400	40.00%	\$429	(\$84)	\$345	\$8,280
2/2	52.08%	75	924	69,300	50.00%	\$644	(\$101)	\$543	\$488,700
2/2	2.78%	4	924	3,696	40.00%	\$515	(\$101)	\$414	\$19,872
3/2	14.58%	21	1,154	24,234	50.00%	\$744	(\$129)	\$615	\$154,980
3/2	0.69%	1	1,154	1,154	40.00%	\$595	(\$129)	\$466	\$5,292
TOTAL	100.00%	144	892	128,484				\$521	\$899,808
TOTAL RENTAL INCOME									\$899,808
Plus: Other Income					\$10.00 /unit/month		1.92%		\$17,280
Plus: Phone Income				0.00%	\$3.00 /unit/month				\$0
Cable Income				65.00%	\$10.00 /unit/month				\$11,232
W/D Premium Income				\$5.00%	\$35.00 /unit/month				\$51,408
Gross Potential Income									\$979,728
Less: Vacancy Factor				5.00%					(\$44,990)
Effective Gross Income									\$934,738
Float Income									\$0
Less: Operating Expenses (individually metered for water and sewer)					\$3,695 per unit				(\$532,017)
Less: Replacement Reserve					\$200 per unit				(\$28,800)
Net Operating Income									\$373,921
		DSC	\$/Unit	Loan	Int. Rate	Amort	Debt Svc Cost		
1st Mortgage		1.25	\$26,042	\$3,750,000	7.00%	30	7.98%	\$299,386	
Loan County			\$599	\$100,000	0.00%		0.00%	\$0	
Other			\$0	\$0	0.00%	0	0.00%	\$0	
Total Debt Service			\$26,640	\$3,850,000				\$299,386	
Cash Flow After Debt Service									\$74,535
Debt Service Coverage - First Mortgage									1.25
Debt Service Coverage - All Mortgages									1.25

GRANT

Attachment # 1

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19-Nov-2003																
Grand Ridge																
15 YEAR FINANCIAL PRO FORMA																
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	
Item	(Amount)															
Revenue																
Gross Rental Income	899,808	912,894	934,163	954,883	973,941	992,461	1,013,330	1,033,397	1,054,258	1,075,354	1,096,861	1,118,794	1,141,174	1,163,998	1,187,278	
Other Income	79,923	81,218	82,149	84,812	86,508	88,234	91,803	93,659	97,639	99,532	97,422	99,378	101,252	103,959	106,683	
Premial Gross Income	799,728	899,323	1,016,312	1,039,695	1,060,449	1,081,695	1,105,133	1,125,056	1,147,497	1,170,866	1,194,283	1,218,172	1,242,572	1,267,340	1,292,230	
Vacancy	(44,990)	(49,946)	(50,945)	(51,985)	(53,024)	(54,083)	(55,167)	(56,278)	(57,395)	(58,543)	(59,719)	(60,908)	(62,120)	(63,349)	(64,577)	
GNC Income	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Effective Gross Income	934,738	949,376	965,367	987,710	1,007,425	1,027,614	1,048,166	1,069,133	1,090,512	1,112,322	1,134,569	1,157,268	1,180,405	1,204,014	1,228,098	
Base Operating Costs																
Payroll Costs	100,000	111,240	114,577	118,015	121,555	125,302	128,948	132,426	134,611	140,916	143,143	149,497	153,982	158,672	163,560	
Administration	43,200	44,496	45,831	47,206	48,623	50,081	51,583	53,131	54,728	56,366	58,057	59,799	62,593	63,441	65,344	
Marketing	28,800	29,664	30,554	31,471	32,415	33,387	34,389	35,420	36,483	37,577	38,703	39,864	41,062	42,294	43,568	
Customer Services	30,400	31,912	33,469	35,073	36,726	38,427	40,180	41,986	43,845	45,764	47,733	49,765	51,858	54,014	56,235	
Maintenance	33,500	30,400	31,912	33,469	35,073	36,726	38,427	40,180	41,986	43,845	45,764	47,733	49,765	51,858	54,014	
Utilities (unallocated interest)	43,200	44,496	45,831	47,206	48,623	50,081	51,583	53,131	54,728	56,366	58,057	59,799	62,593	63,441	65,344	
Management Fee	46,737	47,688	48,617	49,584	50,573	51,581	52,603	53,645	54,726	55,816	56,928	57,863	59,020	60,201	61,403	
Insurance	53,200	54,288	55,408	56,565	57,750	58,965	60,203	61,469	62,764	64,088	65,441	66,823	68,234	69,675	71,146	
Real Estate Taxes	58,000	61,242	62,577	64,915	67,255	69,593	71,932	74,276	76,618	78,961	81,303	83,645	85,987	88,329	90,671	
Total Operating Expenses	532,017	547,395	563,251	579,664	596,560	613,953	631,858	650,290	669,264	688,794	708,904	729,604	750,914	772,851	795,434	
Base Replacement Res	28,800	29,664	30,554	31,471	32,415	33,387	34,389	35,420	36,483	37,577	38,703	39,864	41,062	42,294	43,568	
New Operating Income	335,921	372,386	371,693	373,644	375,170	377,164	378,716	380,120	381,367	382,444	383,565	384,677	386,695	388,629	390,609	
Less: Debt Service	(299,380)	(299,380)	(299,380)	(299,380)	(299,380)	(299,380)	(299,380)	(299,380)	(299,380)	(299,380)	(299,380)	(299,380)	(299,380)	(299,380)	(299,380)	
Cash Flow	34,541	73,006	72,313	74,264	75,790	77,784	79,336	80,740	81,987	83,064	83,968	84,691	85,315	85,941	86,567	
Debt Service Cost/Year	1.25	1.24	1.24	1.25	1.25	1.26	1.26	1.27	1.27	1.28	1.28	1.28	1.28	1.29	1.29	

GRANT

Attachment #

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Quail Ridge

GRANT

Attachment #

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CONSTRUCTION COST BREAKDOWN

UNITS

144

SQUARE FEET

128,484

DESCRIPTION OF WORK		\$	\$/UNIT	\$/SQ FT	
1	Earthwork	\$864,000	\$6,000	\$6.72	
2	Site Utilities	In Above	\$0	\$0.00	
3	Roads & Walks	In Above	\$0	\$0.00	
4	Landscape & Sprinkler	\$158,400	\$1,100	\$1.23	
5	Concrete & Rough Carpentry	\$1,665,153	\$11,564	\$12.96	
6	Masonry	In Above	\$0	\$0.00	
7	Metals (Railings, Fencing)	\$183,732	\$1,276	\$1.43	
8	Rough Carpentry	In Concrete	\$0	\$0.00	
9	Finish Carpentry	\$179,878	\$1,249	\$1.40	
10	Waterproofing & Insulation/Sealants	\$57,818	\$402	\$0.45	
11	Roofing & Sheet Metal	\$96,363	\$669	\$0.75	
12	Window/SGID	\$115,200	\$800	\$0.81	
13	Hurr. Panels/Coverings	\$72,000	\$500	\$0.56	
14	Lath & Plaster	\$254,398	\$1,767	\$1.98	
15	Drywall	\$539,633	\$3,747	\$4.20	
16	Tile Work	\$68,097	\$473	\$0.53	
17	Paint	\$156,750	\$1,089	\$1.22	
18	Specialties, Verticals, Sec. Gate, Brick Pavers	\$172,800	\$1,200	\$1.34	
19	Cabinets	\$194,400	\$1,350	\$1.51	
20	Appliances	\$216,000	\$1,500	\$1.68	
21	Resilient Flooring & Floor Coverings	\$143,902	\$999	\$1.12	
22	Fire Sprinklers	\$115,200	\$800	\$0.90	
23	Plumbing	\$439,415	\$3,051	\$3.42	
24	HVAC	\$377,743	\$2,623	\$2.94	
25	Electrical	\$516,506	\$3,587	\$4.02	
26	Recreation Building	\$244,192	\$1,696	\$1.90	
27	Recreational Amenities	\$200,000	\$1,389	\$1.56	
28	Contingency	L/C	\$0	\$0.00	
	Sub-Total	\$7,031,579	\$48,830	\$54.64	
29	General Requirements	6.00%	\$421,895	\$2,930	\$3.28
30	Overhead & Supervision	2.00%	\$140,632	\$977	\$1.09
31	Profit	6.00%	\$421,895	\$2,930	\$3.28
Construction-Related Fees:					
32	Special Inspector	NA	\$0	\$0.00	
33	P&P Bonds	\$70,000	\$486	\$0.54	
	Total	\$8,086,000	\$56,153	\$62.85	

Local SHIP LoanQuail RidgeDEVELOPMENT COST PROFORMAAttachment # 1Page 144

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LOAN

	COST/ SQ FT	COST/ UNIT	TOTAL COST	TAXCRED COSTS
A. Uses				
Acquisition	\$9.77	\$8,717	\$1,255,200	\$0
Impact Fees	\$0.00	\$0	\$0	\$0
W&S Fees	\$0.84	\$750	\$108,000	\$108,000
Architect	\$0.95	\$850	\$122,400	\$122,400
Engineer	\$0.39	\$350	\$50,400	\$50,400
Survey	\$0.19	\$174	\$25,000	\$10,000
Environmental/Soils	\$0.16	\$139	\$20,000	\$7,000
Borrower Legal Counsel	\$0.78	\$694	\$100,000	\$70,000
Finance Fees	\$1.66	\$1,483	\$213,500	\$5,338
Insurance	\$0.45	\$400	\$57,600	\$34,560
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Taxes	\$0.19	\$174	\$25,000	\$15,000
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Inspection	\$0.19	\$167	\$24,000	\$24,000
Appraisal	\$0.08	\$69	\$10,000	\$10,000
Market Study	\$0.04	\$35	\$5,000	5,000
Accounting	\$0.19	\$174	\$25,000	\$25,000
Tax Credit Fees	\$1.50	\$1,337	\$192,571	\$113,311
Construction Interest	\$1.89	\$1,688	\$243,000	\$170,100
Marketing & Start Up	\$1.36	\$1,215	\$175,000	\$0
Building Permits	\$0.78	\$694	\$100,000	\$100,000
Construction Cost	\$62.93	\$56,153	\$8,086,000	\$8,006,440
Appliances	\$0.00	\$0	\$0	\$0
Clubhouse Furniture	\$1.05	\$938	\$135,000	\$135,000
Miscellaneous	\$0.39	\$347	\$50,000	\$50,000
Seed Capital Interest	\$0.00	\$0	\$0	\$0
Rep. Reserve	\$0.00	\$0	\$0	\$0
Developer's OH	\$3.01	\$2,688	\$387,000	\$387,000
Developer's Fee	\$9.04	\$8,063	\$1,161,000	\$1,161,000
Total Uses	\$98.72	\$88,083	\$12,683,951	\$10,627,548
B. Sources				
Tax Credit Equity	\$67.40	\$60,139	\$8,660,000	\$8,660,000
1st Mortgage	\$29.19	\$26,042	\$3,750,000	\$3,750,000
Other	\$0.00	\$0	\$0	\$0
Developer Equity	\$0.93	\$826	\$118,951	\$118,951
Local Subsidy	\$1.21	\$1,076	\$155,000	\$155,000
Total Sources	\$98.72	\$88,083	\$12,683,951	\$12,683,951

LOAN

Attachment #

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PRO FORMA NOTES

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1. Construction Interest Calculation

Loan	Principal	Interest rate	Avg Loan Bal Outstdg	# Mos.	Const. Interest
Mortgage	\$3,750,000	7.00%	78.00%	12	\$204,750
Bridge Loan	\$700,000	7.00%	78.00%	12	\$38,220
SIIP Loan	\$155,000	0.00%	100.00%	12	\$0
Total Const. Int'l, Rounded	\$4,605,000				\$243,000

2. Tax Credit Equity

Tax Credit Basis					FHFC Leveraging	\$10,627,548
Applicable Percent		7.99%	100.00%			\$849,141
DDA/QCT	yes		Maximum credit	1,105,000	44,226	\$1,103,883
Syndication Price, Net		99.99%	\$0.79			\$0.78
Tax Credit Equity						\$8,664,618
Equity Letter					81.49%	\$8,660,000

Equity Pay In:

Closing	4,330,000	50.00%
50% Completion	1,299,000	15.00%
75% Completion	1,299,000	15.00%
CO	866,000	10.00%
Tax Credit Determination	433,000	5.00%
8609, 1.12X DSC	433,000	5.00%

3. Finance Fees

	Principal	Fees	
Construction Loan	\$4,450,000	1.50%	\$66,750
Permanent Loan	\$4,450,000	1.50%	\$66,750
Cost of Issuance	\$4,450,000		NA
Closing Costs	\$0	0.00%	\$80,000
LC Fee		1.00%	In Above
Total Finance Fees			\$213,500
Rounded			\$213,500

4. Tax Credit Fees

Administrative Fee		8.00%	\$88,311
Application & Credit Underwriting Fee, cost review			\$25,000
Compliance Monitoring Fee	\$1,535 + \$9/unit, deducted back at 2.75%, for 50 years		\$79,260
Total tax credit fees			\$192,571
Underwriter			\$192,571

15-Nov-2003

15 YEAR FINANCIAL PRO FORMA

Annual Income Inflow:
Annual Expense Inflow:

2.00%
3.00%

Item	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Great Rental Income	879,808	917,804	936,160	954,183	971,881	989,461	1,011,300	1,033,597	1,054,308	1,073,354	1,094,863	1,118,798	1,141,174	1,163,996	1,187,278
Other Income	79,922	81,518	83,149	84,812	86,508	88,238	90,007	91,819	93,659	95,512	97,422	99,370	101,358	103,385	105,453
Potential Gross Income	959,730	999,323	1,019,309	1,038,995	1,058,389	1,077,699	1,093,307	1,115,416	1,147,967	1,170,866	1,194,285	1,218,168	1,242,532	1,267,383	1,292,731
vacancy	(44,972)	(49,966)	(50,965)	(51,953)	(52,945)	(53,935)	(54,927)	(55,919)	(56,913)	(57,908)	(58,904)	(59,900)	(60,897)	(61,895)	(62,893)
GRC Income	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Effective Gross Income	914,758	949,356	968,344	987,042	1,005,444	1,023,764	1,041,380	1,059,500	1,077,054	1,094,958	1,113,381	1,131,268	1,149,635	1,167,488	1,185,838
Less: Operating Costs															
Payroll Costs	108,000	111,240	114,577	118,015	121,555	125,202	128,958	132,826	136,811	140,916	145,143	149,497	153,982	158,602	163,360
Administrative	41,200	44,496	45,831	47,205	48,622	50,081	51,583	53,131	54,728	56,366	58,057	59,799	61,593	63,441	65,344
Marketing	28,800	29,664	30,554	31,471	32,415	33,387	34,389	35,409	36,453	37,527	38,635	39,766	40,922	42,104	43,314
Contract Services	50,400	51,912	53,449	55,013	56,605	58,227	59,881	61,566	63,285	65,039	66,828	68,653	70,515	72,414	74,355
Maintenance	54,400	56,912	59,449	62,013	64,605	67,227	69,881	72,566	75,285	78,039	80,828	83,653	86,515	89,414	92,355
Utilities (individual meters)	63,200	64,996	66,831	68,705	70,615	72,561	74,543	76,566	78,631	80,739	82,888	85,079	87,315	89,594	91,914
Transportation Fee	46,779	47,468	48,177	48,905	49,657	50,431	51,228	52,046	52,885	53,746	54,628	55,531	56,455	57,399	58,364
Insurance	53,200	54,896	56,629	58,401	60,211	62,059	63,946	65,871	67,835	69,838	71,881	73,963	76,085	78,247	80,449
Rent Estate Taxes	108,000	111,240	114,577	118,015	121,555	125,202	128,958	132,826	136,811	140,916	145,143	149,497	153,982	158,602	163,360
Total Operating Expenses	552,077	547,305	563,251	578,654	596,580	613,953	631,858	650,290	669,264	688,795	708,904	729,604	750,914	772,851	795,414
Less: Replacement Res.	28,800	29,664	30,554	31,471	32,415	33,387	34,389	35,409	36,453	37,527	38,635	39,766	40,922	42,104	43,314
Net Operating Income	373,921	372,386	371,693	373,644	375,479	377,164	378,716	380,120	381,367	382,448	383,355	384,077	384,695	385,229	385,879
Less: Debt Service	(299,386)	(299,386)	(299,386)	(299,386)	(299,386)	(299,386)	(299,386)	(299,386)	(299,386)	(299,386)	(299,386)	(299,386)	(299,386)	(299,386)	(299,386)
Cash Flow	74,535	73,000	72,307	74,258	76,093	77,778	79,330	80,734	81,981	83,062	84,008	84,691	85,312	85,843	86,414
Debt Service Coverage	1.25	1.24	1.24	1.25	1.25	1.26	1.26	1.27	1.27	1.28	1.28	1.28	1.28	1.29	1.29

LOAN

Attachment #

Page 29 of 68

Quail Ridge**CONSTRUCTION COST BREAKDOWN****LOAN**

Attachment #

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UNITS

144

SQUARE FEET

128,484

DESCRIPTION OF WORK

		\$	\$/UNIT	\$/SQ FT
1	Earthwork	\$864,000	\$6,000	\$6.72
2	Site Utilities	In Above	\$0	\$0.00
3	Roads & Walks	In Above	\$0	\$0.00
4	Landscape & Sprinkler	\$158,400	\$1,100	\$1.23
5	Concrete & Rough Carpentry	\$1,665,153	\$11,564	\$12.96
6	Masonry	In Above	\$0	\$0.00
7	Metals (Railings, Fencing)	\$183,732	\$1,276	\$1.43
8	Rough Carpentry	In Concrete	\$0	\$0.00
9	Finish Carpentry	\$179,878	\$1,249	\$1.40
10	Waterproofing & Insulation/Sealants	\$57,818	\$402	\$0.45
11	Roofing & Sheet Metal	\$96,363	\$669	\$0.75
12	Window/SGI	\$115,200	\$800	\$0.81
13	Hurr. Panels/Coverings	\$72,000	\$500	\$0.56
14	Lath & Plaster	\$254,398	\$1,767	\$1.98
15	Drywall	\$539,633	\$3,747	\$4.20
16	Tile Work	\$68,097	\$473	\$0.53
17	Paint	\$156,750	\$1,089	\$1.22
18	Specialties, Verticals, Sec. Gate, Brick Pavers	\$172,800	\$1,200	\$1.34
19	Cabinets	\$194,400	\$1,350	\$1.51
20	Appliances	\$216,000	\$1,500	\$1.68
21	Resilient Flooring & Floor Coverings	\$143,902	\$999	\$1.12
22	Fire Sprinklers	\$115,200	\$800	\$0.90
23	Plumbing	\$439,415	\$3,051	\$3.42
24	HVAC	\$377,743	\$2,623	\$2.94
25	Electrical	\$516,506	\$3,587	\$4.02
26	Recreation Building	\$244,192	\$1,696	\$1.90
27	Recreational Amenities	\$200,000	\$1,389	\$1.56
28	Contingency	1/C	\$0	\$0.00
	Sub-Total	\$7,031,579	\$48,830	\$54.64
29	General Requirements	6.00% \$421,895	\$2,930	\$3.28
30	Overhead & Supervision	2.00% \$140,632	\$977	\$1.09
31	Profit	6.00% \$421,895	\$2,930	\$3.28
	Construction-Related Fees:			
32	Special Inspector	NA	\$0	\$0.00
33	P&P Bonds	\$70,000	\$486	\$0.54
	Total	\$8,086,000	\$56,153	\$62.85

LOAN

Attachment #

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Grand Ridge BRIEF SCHEDULE		TOTAL PROJECT COST												TOTAL	
DESCRIP. OF WORK	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05	Sep-05	Oct-05	Nov-05	Dec-05	Jan-06	AFTER	DATE
USERS															
Acquisition	1,255,200														1,255,200
Impact Fees	0														0
W&S Fees	108,000														108,000
Architect	122,400														122,400
Engineer	50,400														50,400
Survey	25,000														25,000
Environmental/Soils	20,000														20,000
Borrower Legal Counsel	100,000														100,000
Finance Fees	213,500														213,500
Insurance	57,600														57,600
GL Insurance	53,280														53,280
Taxes	25,000														25,000
Title & Recording	60,000														60,000
Inspection	24,000														24,000
Appraisal	10,000														10,000
Market Study	5,000														5,000
Accounting	25,000														25,000
Text Credit Fees	192,571														192,571
Construction Interest	243,000														243,000
Marketing & Start Up	175,000														175,000
Building Permits	100,000														100,000
Construction Cost	8,086,000														8,086,000
Appliances	0														0
Childcare Furniture	135,000														135,000
Miscellaneous	50,000														50,000
Seed Capital Interest	0														0
Reg. Reserve	0														0
Developer's O&M	387,000														387,000
Developer's Fee	1,161,000														1,161,000
Total Users	17,683,951	2,696,134	526,284	693,318	840,818	1,056,818	1,027,818	938,818	889,818	820,818	751,818	857,818	419,407	1,190,951	12,083,951
FUNDING SOURCES															
Deferred Developer's Fee	118,951														118,951
Tax Credit Equity	8,660,000	1,941,134	326,284	693,318	575,948	1,027,818	1,027,818	938,818	889,818	820,818	751,818	857,818	419,407	1,190,951	12,083,951
Local Subsidy	125,000														125,000
First Mortgage	3,750,000														3,750,000
Bridge Loan	0														0
TOTAL	12,083,951	2,696,134	526,284	693,318	840,818	1,056,818	1,027,818	938,818	889,818	820,818	751,818	857,818	419,407	1,190,951	12,083,951
First Mortgage Outstanding															
Bridge Outstanding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Outstanding	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Construction Interest	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Plus 3 months to stabilization	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Budget	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Excess/Contingency vs Budget	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

88.1

**Cornerstone
Development
Experience**

Cornerstone Group Development, LLC
Affordable Housing Experience

Name of Development	Location (City/County, State)	# UNITS	PROJECT COST	CONSTRUCT. COST	EQUITY PTR. INVESTMENT	November 9, 2003 % Leased	LOCAL/STATE SUBSIDY	TAX CREDIT/BOND-BOND AMOUNT/ISSUER
1 Villa Hermosa	uninc. Miami-Dade County, FL	76	\$6,400,000	\$3,420,000	\$2,390,000	100.00%	\$2,350,000	Tax Credits Not Applicable
2 River Oaks	Florida City, FL	160	\$9,800,000	\$7,200,000	\$5,940,000	98.75%	\$3,407,000	Tax Credits Not Applicable
3 The Oaks at Ellenton	Ellenton, FL	168	\$10,000,000	\$7,560,000	\$5,600,000	98.21%	\$1,020,000	Tax Credits Not Applicable
4 Olympia Building	Miami, FL	80	\$5,200,000	\$3,600,000	\$2,700,000	97.50%	\$1,600,000	Tax Credits Not Applicable
5 Villas at Cove Crossing	Lantana, FL	94	\$6,536,000	\$4,230,000	\$3,040,000	98.94%	\$400,000	Tax Credits Not Applicable
6 Grove Pointe	uninc. Hillsborough County, FL	80	\$6,920,000	\$3,600,000	\$3,000,000	100.00%	\$1,200,000	Tax Credits Not Applicable
7 Spinmaker Cove	uninc. Miami-Dade County, FL	220	\$16,056,000	\$9,060,000	\$4,350,000	100.00%	\$3,970,000	Tax Credits Not Applicable
8 Center Court Apts.	North Miami, FL	589	\$27,400,000	\$4,300,000	\$6,400,000	98.47%	\$1,000,000	\$7,405,000 FHFC '96
9 The Oaks at Pompano	Pompano Beach, FL	224	\$15,577,000	\$9,300,000	\$4,150,000	94.20%	\$375,000	\$18,460,000 FHFC '97
10 Golden Lakes Apts.	uninc. Miami-Dade County, FL	280	\$22,240,000	\$12,485,000	\$6,440,000	100.00%	\$3,100,000	\$9,500,000 Broward '96
11 Siesta Pointe Apts.	uninc. Miami-Dade County, FL	392	\$27,400,000	\$16,800,000	\$7,350,000	100.00%	\$600,000	\$12,635,000 Dade '97
12 Heron Pointe Apts.	Miramar, FL	200	\$15,500,000	\$9,425,000	\$4,250,000	99.00%	\$2,300,000	\$16,735,000 Dade '97
13 Cross Keys	North Lauderdale, FL	322	\$23,318,000	\$11,534,000	\$5,894,000	97.56%	\$388,000	\$9,750,000 Broward '98
14 Villa Esperanza	uninc. Miami-Dade County, FL	192	\$14,247,000	\$8,308,000	\$4,469,000	100.00%	\$600,000	\$8,465,000 Dade '98
15 Crossings at University	uninc. Miami-Dade County, FL	320	\$23,664,000	\$13,110,000	\$6,622,000	100.00%	Not Applicable	\$14,930,000 FHFC '98
16 Dorat Terrace	uninc. Miami-Dade County, FL	256	\$22,575,000	\$13,060,000	\$4,287,000	98.83%	\$3,150,000	\$14,750,000 Dade '98
17 Cypress Trace	uninc. Hillsborough County, FL	348	\$27,475,000	\$14,145,000	\$6,015,000	92.24%	Not Applicable	\$16,970,000 FHFC '98
18 Hidden Cove	uninc. Miami-Dade County, FL	144	\$9,874,000	\$6,700,000	\$6,900,000	100.00%	\$400,000	Tax Credits Not Applicable
19 Eagle's Landing	uninc. Miami-Dade County, FL	321	\$21,836,000	\$14,550,000	\$14,615,000	100.00%	Not Applicable	Tax Credits Not Applicable
20 Bridgewater Place	Oakland Park, FL	312	\$33,517,000	\$23,020,000	\$11,042,000	99.04%	Not Applicable	\$19,805,000 Broward '99
21 Logan's Pointe	Jacksonville, FL	248	\$20,650,000	\$12,535,000	\$5,066,000	95.16%	\$700,000	\$12,552,000 FHFC '99
22 Bernwood Trace	Fort Myers, FL	340	\$26,500,000	\$16,380,000	\$8,480,000	95.59%	Not Applicable	\$16,395,000 FHFC '99
23 Banyan Pointe	Coconut Creek, FL	300	\$26,000,000	\$16,400,000	\$6,427,000	97.33%	\$2,800,000	\$17,670,000 Broward '00
24 Clipper Cove	Tampa, FL	176	\$12,930,000	\$8,657,000	\$3,720,000	92.61%	\$2,500,000	\$7,950,000 Hillsborough '00
25 Sabal Chase	Fort Pierce, FL	340	\$25,332,000	\$16,188,000	\$6,654,000	94.41%	Not Applicable	\$16,710,000 FHFC '00
26 Sundance Pointe	Jacksonville, FL	288	\$22,460,000	\$15,383,000	\$5,466,000	92.01%	Not Applicable	\$16,285,000 FHFC '00
27 Marbrisa	uninc. Miami-Dade County, FL	368	\$30,325,000	\$18,800,000	\$9,610,000	100.00%	\$4,250,000	\$17,060,000 Dade '00
28 Carolina Club	Daytona Beach, FL	224	\$17,630,000	\$11,018,000	\$4,450,000	98.21%	\$2,000,000	\$10,470,000 Volusia '01
29 Monterey Pointe	Homestead, FL	336	\$27,300,000	\$17,465,000	\$9,680,000	98.21%	\$4,000,000	\$15,175,000 Dade '01
30 Mission Bay	Viera, Brevard County, FL	360	\$24,750,000	\$16,252,000	\$6,344,000	92.00%	Not Applicable	\$15,350,000 FHFC '01
31 Hunter's Run	Clay County, FL	304	\$21,700,000	\$14,106,000	\$5,146,000	94.41%	Not Applicable	\$13,440,000 FHFC '01
32 Mission Pointe	Jacksonville, FL	388	\$27,650,000	\$18,093,000	\$7,002,000	96.13%	Not Applicable	\$16,730,000 FHFC '01
33 Baywinds	uninc. Miami-Dade County, FL	204	\$20,130,000	\$10,248,000	\$5,445,000	100.00%	\$3,750,000	\$9,670,000 Dade '02
34 Indian Trace	Riviera Beach, FL	330	\$32,800,000	\$18,050,000	\$7,702,000	92.73%	\$2,328,000	\$23,400,000 Palm Beach '02
35 Mariner's Cove	Hillsborough County, FL	208	\$17,400,000	\$10,610,000	\$4,038,000	100.00%	\$2,190,000	\$11,715,000 Hillsborough '02
36 San Marco	Ormond Beach, FL	260	\$22,675,000	\$13,211,000	\$4,802,000	97.69%	\$1,500,000	\$13,500,000 Volusia '02
37 Laguna Pointe	Pompano Beach, FL	188	\$22,200,000	\$13,013,000	\$6,463,000	100.00%	\$2,210,000	\$13,300,000 Broward '02
38 Captiva Club	uninc. Miami-Dade County, FL	136	\$14,360,000	\$7,795,000	\$4,013,000	100.00%	\$3,750,000	\$6,720,000 Dade '02
39 Hibiscus Pointe	uninc. Miami-Dade County, FL	212	\$17,400,000	\$10,772,000	\$5,160,000	Under Const.	\$4,300,000	\$9,900,000 Dade '02
40 Tuscan Place	uninc. Miami-Dade County, FL	340	\$30,375,000	\$18,742,000	\$8,823,000	Under Const.	\$3,900,000	\$15,000,000 Dade '02
41 Eagle Pointe	Pompano Beach, FL	192	\$18,675,000	\$10,676,000	\$5,506,000	22% pre-leased	\$300,000	\$12,490,000 FHFC '02
42 Bristol Bay	Hillsborough County, FL	300	\$24,900,000	\$15,388,000	\$6,119,000	Under Const.	\$750,000	\$16,300,000 FHFC '02
43 Portofino	Palm Springs, FL	272	\$28,650,000	\$15,791,000	\$5,793,000	11% pre-leased	Not Applicable	\$19,570,000 FHFC '02
44 Renaissance	West Palm Beach, FL	344	\$36,375,000	\$20,111,000	\$7,780,000	Under Const.	Not Applicable	\$24,375,000 Palm Beach '03
45 St. Croix	Lauderdale Lakes, FL	246	\$28,200,000	\$16,770,000	\$6,453,000	Under Const.	\$2,222,138	\$18,095,000 Broward '02
46 Sanctuary Cove	North Lauderdale, FL	292	\$30,000,000	\$16,880,000	\$6,725,000	Under Const.	\$2,300,000	\$19,400,000 Broward '03
47 Harbour Cove	Hallandale Beach, FL	212	\$24,550,000	\$14,969,000	\$7,214,000	Under Const.	\$2,300,000	\$14,350,000 Broward '03
48 Hawk's Landing	Fort Myers, FL	204	\$16,785,000	\$10,101,000	\$4,084,000	Under Const.	Not Applicable	\$10,750,000 Lee '03
Bonita Pointe	Florida City, FL	164	\$15,900,000	\$9,462,000	\$4,850,000	Under Const.	\$1,000,000	\$8,000,000 Dade '03
Total		12,554	\$1,030,137,000	\$609,273,000	\$294,619,000	97.30%	\$74,910,138	\$588,697,000

ORNERSTONE AFFORDABLE RENTAL COMMUNITIES

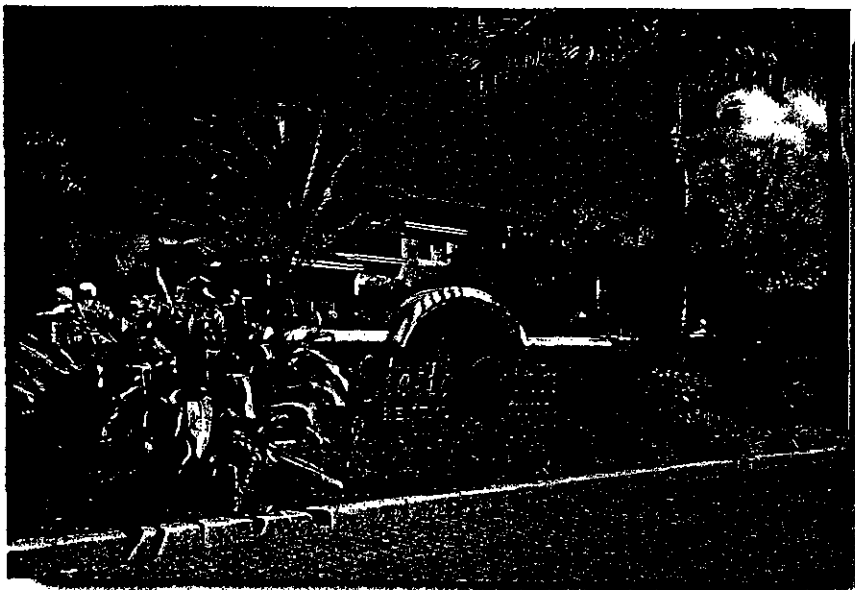


BANYAN POINTE
COCONUT CREEK, FLORIDA

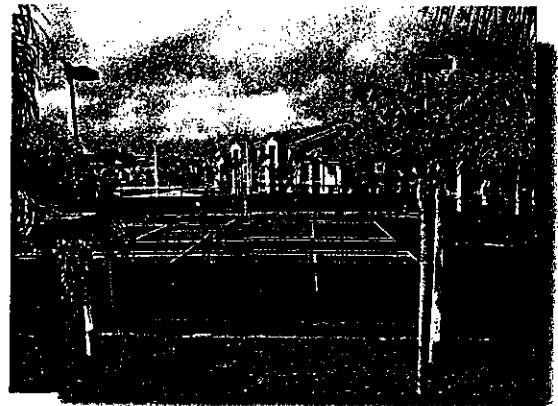
CORNERSTONE AFFORDABLE RENTAL COMMUNITIES



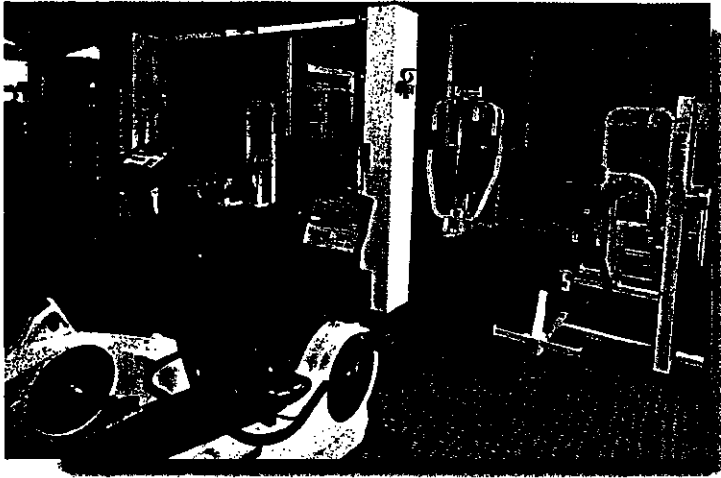
CROSSINGS AT UNIVERSITY
MIAMI, FLORIDA



SIESTA POINTE
MIAMI, FLORIDA



BANYAN POINTE
COCONUT CREEK, FLORIDA



LOGANS POINTE
JACKSONVILLE, FLORIDA



INDIAN TRACE
WEST PALM BEACH, FLORIDA



DORAL TERRACE
MIAMI, FLORIDA

Cornerstone Group has been a leader in the development of affordable rental communities since its inception in 1993. The company has earned a reputation for building quality affordable communities with amenities that include a private clubhouse with a pool, fitness center and computer lab, and at some properties tennis, volleyball and racquetball courts. Cornerstone also holds educational programs on homeownership to financial planning for its residents.

As Florida's affordable housing market becomes more competitive, these extra touches help distinguish Cornerstone's communities, and earn them the trust and admiration of investors, financial institutions and residents.

CORNERSTONE AFFORDABLE RENTAL COMMUNITIES

Alhambra Cove
Miami, Florida

Banyan Pointe
Coconut Creek, Florida

Bonita
Florida

Ca
Florida

Ca
Florida

Ca
Florida

Ca
Florida

Ca
Florida

Ca
Florida

Ca
Florida

Ca
Florida

Crossings At University
Miami, Florida

Cypress Trace
Brandon, Florida

Doral Terrace
Miami, Florida

Eagle's Landing
Miami, Florida

Eagles Point
Pompano Beach, Florida

Golden Lakes
Miami, Florida

Grove Pointe
Ruskin, Florida

Harbor Cove
Hallandale, Florida

Hawks Landing
Ft. Myers, Florida

Heron Pointe
Miramar, Florida

Hibiscus Pointe
Miami, Florida

Hidden Cove
Miami, Florida

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Hidden Cove
Miami, Florida

Portofino
Palm Springs, Florida

Renaissance
West Palm Beach, Florida

River Oaks
Florida City, Florida

Sabal Chase
Ft. Pierce, Florida

San Marco
Orlando, Florida

Sanctuary
Lauderdale, Florida

Sanctuary
Lauderdale, Florida

Sanctuary
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BANYAN POINTE
COCONUT CREEK, FLORIDA

7

CORNERSTONE GROUP

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WWW.CORNERSTONEGRP.COM

CORNERSTONE GROUP

Company Profile

Cornerstone Group Development, LLC is a fully integrated residential real estate firm, providing development, construction and property management services for rental communities throughout the state of Florida. Founded in the Fall of 1993, the company presently has 10,000 units of rental housing in various stages of development, construction and property management. Both *Builder and Apartment Finance Today* magazine ranked Cornerstone as the 10th-largest developer in the United States for 2002.

The success experienced over the past years is a direct result of the firm's strong foundation of experience and financial resources. The organization's success is also in large part a testament to the faith the local and state financial institutions have in the talent and abilities of the principals of the organization. It has been through the support of such institutions that Cornerstone has been able to obtain over \$600 million in local and state subsidies and tax-exempt bonds for its projects.

These subsidies allow Cornerstone to offer properties to local residents that provide amenity packages, landscaping and social activities, which not only are on a par with market rate communities, but also offer rental rates that are typically \$100 - \$400 below those of market rate rental communities. These communities have won awards such as the one garnered by Cornerstone's *Clipper Cove* community in October 2001. Located in Tampa, *Clipper Cove* won a meritorious award from the National Association of Local Housing Finance Authorities ("NAHLFA") at its annual convention. Additionally, *Banyan Pointe*, located in Broward County, Florida won the 2002 award from the Southeast Apartment Association as the top affordable housing community of the year.

Two of the principals of Cornerstone, Stuart I. Meyers and Jorge Lopez, ran the Affordable Housing Division of a major South Florida multi-family developer. While at their former company, these two individuals were responsible for the construction of over 2,000 units of multifamily housing. They have brought this depth of experience to Cornerstone, and added to the depth of the management team by bringing on other individuals experienced in the fields of real estate construction, real estate finance and real estate property management. The other two principals of Cornerstone, Leon J. Wolfe, Esq. and Mara S. Mades, also bring considerable experience to Cornerstone. Mr. Wolfe founded a law firm where he specialized in the tax credit field, among his other duties as a managing partner, and Ms. Mades has twenty years of experience in the field of real estate acquisitions and finance.

The company also takes pride in providing tenant services at its affordable housing communities that enrich and augment the quality of life of its residents. Cornerstone provides a range of tenant services, such as educational, financial and social activities. These services allow the tenants to improve their work skills, such as computer expertise, and to improve their financial skills, such as budgeting for down payments for their future homes.

Cornerstone's operating strategy has been to take advantage of the tremendous growth rate in the State of Florida. Its success is insured by focusing its attention on selecting prime locations and building an attractive, high quality product. Such factors are the key to providing rental housing in a market that continues to experience a steady influx of new residents. It is Cornerstone's goal and objective to remain committed to the Florida markets, providing a wide range of quality residential housing, tenant and management services to its residents.

Cornerstone Group Development, LLC

MIAMI
2121 Ponce de Leon Boulevard, P.H.
Coral Gables, FL 33134
(305) 443-8288

TALLAHASSEE
2029 Morning Dove Road
Tallahassee, FL 32312
(850) 591-0856

Major Business Functions

Development

Cornerstone's philosophy is to create value by developing high quality, rental housing properties for low- and moderate-income households. In order to achieve this goal, it is necessary to obtain cost-effective sites and to provide an attractive product that meets the needs of today's residents. This requires expert knowledge of federal housing laws, as well as an understanding of local rental housing needs, zoning restrictions, building codes and market forces. The key to success in the affordable marketplace is the maintenance of productive relationships with local, state and federal governmental authorities.

Management

An integral part of Cornerstone Group Development, LLC is its ability to manage and maintain properties to ensure their long-term viability. An affiliate, Cornerstone Residential Management, LLC, provides complete marketing, leasing, administrative, accounting, compliance and other services for its own properties, as well as for others on a fee basis. Cornerstone has extensive experience in the area as a result of many years of management experience with various types of housing projects, including both affordable housing and market rate properties. This extensive experience in affordable housing, most particularly in providing compliance with subsidy regulations and requirements, is what distinguishes Cornerstone Residential Management, Inc. from other management companies.

Construction

To maintain control over the construction process, Cornerstone has an affiliated General Contracting company, Alliance Construction, LLC. ("Alliance"). Alliance acts as the construction manager and general contractor for projects developed by Cornerstone. Through 2003, Alliance has completed construction of over 8,500 units throughout the State of Florida; all but 1,000 of those units have been affordable housing. Alliance's direct involvement in all aspects of the design and construction phase ensures the highest value and best quality.

Communications & Security

From construction to consumer satisfaction, Mainstream Communications, LLC is a single source provider of voice, video and data telecommunication services. Operating as Mainstream New Media, the company provides a full suite of services to residents of multi-family communities, including cable/satellite television, security monitoring, individual intrusion alarms, local and long distance telephone, high-speed Internet access and a broad range of customized tenant services.

Cornerstone Group Development, LLC

MIAMI
2121 Ponce de Leon Boulevard, P.H.
Coral Gables, FL 33134
(305) 443-8288

TALLAHASSEE
2029 Morning Dove Road
Tallahassee, FL 32312
(850) 591-0856

Target Population

FHFC DRAFT 2004 APPLICATION

11-13-03 Draft

An Applicant may commit to deeper targeting than required to earn 5 points but must at least meet the minimums stated above to be awarded the 5 points. For example, an Applicant that will use requesting Competitive HC and SAIL as funding sources that committed 85% of a Development's residential units at 50% AMI or less and 15% of its residential units at 35% AMI or less would earn five points because it met the minimum five-point requirement. The same Applicant would not earn five points if it committed to do 90% of the Development's residential units at 50% AMI or less and 10% of the residential units at 30% AMI.

Location A Summary - INCLUDES LEON

Program(s) that will fund Development applying for	Location A				
	% of <u>residential</u> units @ 30% AMI or less	% of <u>residential</u> units @ 35% AMI or less	% of <u>residential</u> units @ 40% AMI or less		% of <u>residential</u> units @ 50% AMI or less
Competitive HC ONLY	na	na	5	and	95
Competitive HC with SAIL	na	na	12	and	88
SAIL ONLY without Competitive HC, FHFC bonds or local bonds	na	na	na		50
FHFC bonds with or without non- competitive HC ONLY	na	na	na		50
FHFC or local bonds with SAIL	na	na	na		60
non- competitive HC ONLY	na	na	na		na

Location B:

To earn 5 points:

-Applicants requesting Competitive HC must at a minimum commit to set aside either: 7% of the Development's residential units at 30% AMI or less, 9% of the Development's residential units at 35% AMI or less, 12% of the Development's residential units at 40% AMI or less, or 26% of the Development's residential units at 50% AMI or less.

-Applicants that will use requesting Competitive HC and SAIL as funding sources must at a minimum commit to set aside either: 11% of the Development's residential units at 30% AMI or less, 15% of the Development's residential units

Florida Housing Finance Corporation

Effective 2/20/2003 / HUD Posted 2/21/2003
FHFC Posted 2/24/2003; Revised 3/5/2003

City (County)		Florida Housing Finance Corporation Multifamily Rental Programs and SHIP (all) 2003 Income Limits Adjusted To Household Size								Multifamily Rental Bond Income Limits NOT by Household Size		
		Percentage Category	Number of Persons in Household								Lower	Eligible 150%
			1	2	3	4	5	6	7	8		
Punta Gorda MSA (Charlotte)	30%	9,900	11,350	12,750	14,150	15,300	16,450	17,550	18,700		30,680	75,300
	33%	10,890	12,474	14,025	15,576	16,830	18,084	19,305	20,559			
	35%	11,550	13,230	14,875	16,520	17,850	19,180	20,475	21,805			
	40%	13,200	15,120	17,000	18,880	20,400	21,920	23,400	24,920			
	45%	14,850	17,010	19,125	21,240	22,950	24,660	26,325	28,035			
	50%	16,500	18,900	21,250	23,600	25,500	27,400	29,250	31,150			
	55%	18,150	20,790	23,375	25,960	28,050	30,140	32,175	34,265			
Median: 47,200	60%	19,800	22,680	25,500	28,320	30,600	32,880	35,100	37,380			
	80%	26,450	30,200	34,000	37,750	40,800	43,800	46,800	49,850			
	120%	39,600	45,360	51,000	56,640	61,200	65,760	70,200	74,760			
Sarasota-Bradenton MSA (Manatee/Sarasota)	30%	11,200	12,800	14,400	16,000	17,300	18,600	19,850	21,150		34,710	78,900
	35%	13,090	14,945	16,835	18,690	20,195	21,665	23,170	24,675			
	40%	14,960	17,080	19,240	21,360	23,080	24,760	26,480	28,200			
	45%	16,830	19,215	21,645	24,030	25,965	27,855	29,790	31,725			
	50%	18,700	21,350	24,050	26,700	28,850	30,950	33,100	35,250			
	55%	20,570	23,485	26,455	29,370	31,735	34,045	36,410	38,775			
	60%	22,440	25,620	28,860	32,040	34,620	37,140	39,720	42,300			
Median: 52,600	80%	29,900	34,200	38,450	42,700	46,150	49,550	52,950	56,400			
	120%	44,880	51,240	57,720	64,080	69,240	74,280	79,440	84,600			
Tallahassee MSA (Gadsden/Leon)	28%	11,200	12,824	14,420	16,016	17,304	18,592	19,852	21,140		37,180	81,750
	30%	12,000	13,750	15,450	17,150	18,550	19,900	21,300	22,650			
	35%	14,000	16,030	18,025	20,020	21,630	23,240	24,815	26,425			
	40%	16,000	18,320	20,600	22,880	24,720	26,560	28,360	30,200			
	45%	18,000	20,610	23,175	25,740	27,810	29,880	31,905	33,975			
	50%	20,000	22,900	25,750	28,600	30,900	33,200	35,450	37,750			
	55%	22,000	25,190	28,325	31,460	33,990	36,520	38,995	41,525			
Median: 54,500	60%	24,000	27,480	30,900	34,320	37,080	39,840	42,540	45,300			
	80%	32,050	36,600	41,200	45,750	49,400	53,100	56,750	60,400			
	120%	48,000	54,960	61,800	68,640	74,160	79,680	85,080	90,600			

Appendix B1 - Rent Schedule by Number of Bedrooms in Unit**4**Effective 2/20/2003 / HUD Posted 2/21/2003
FHFC Posted 2/24/2003; Revised 3/5/20031990 and Later
By Number of Bedrooms**Florida Housing Finance Corporation
2003 Maximum Rents by Number of Bedrooms in Unit**

NOTE: This schedule is to be used by developments participating in the following programs: Housing Credit (HC) receiving allocations ON and AFTER January 1, 1990, State Housing Initiatives Partnership (SHIP), and HUD Multifamily Risk Sharing. Excluding SHIP, these figures represent MAXIMUM gross rents which must include an allowance for utilities.

City (County)	Percentage Category	Number of Bedrooms in Unit				
		EFF	1	2	3	4
Punta Gorda MSA (Charlotte)	30%	247	265	318	368	411
	33%	272	292	350	405	452
	35%	288	309	371	429	479
	40%	330	354	425	491	548
	45%	371	398	478	552	616
	50%	412	442	531	613	685
	60%	495	531	637	736	822
	80%	661	708	850	981	1,095
	120%	990	1,062	1,275	1,473	1,644
Sarasota-Bradenton MSA (Manatee/Sarasota)	30%	280	300	360	416	465
	35%	327	350	420	486	541
	40%	374	400	481	555	619
	45%	420	450	541	624	696
	50%	467	500	601	694	773
	60%	561	600	721	833	928
	80%	747	801	961	1,110	1,238
	120%	1,122	1,201	1,443	1,666	1,857
Tallahassee MSA (Gadsden/Leon)	28%	280	300	360	416	464
	30%	300	321	386	446	497
	35%	350	375	450	520	581
	40%	400	429	515	595	664
	45%	450	482	579	669	747
	50%	500	536	643	743	830
	60%	600	643	772	892	996
	80%	801	858	1,030	1,189	1,327
	120%	1,200	1,287	1,545	1,785	1,992
Tampa-St. Petersburg- Clearwater MSA (Hernando/Hillsborough/ Pasco/Pinellas)	20%	177	189	227	262	293
	30%	265	283	341	393	438
	35%	309	331	398	459	512
	40%	354	379	455	525	586
	45%	398	426	511	590	659
	50%	442	473	568	656	732
	60%	531	568	682	787	879
	80%	707	757	908	1,050	1,171
	120%	1,062	1,137	1,365	1,575	1,758
West Palm Beach- Boca Raton MSA (Palm Beach)	25%	275	294	353	408	455
	30%	330	353	423	490	546
	35%	385	412	494	571	637
	40%	440	471	565	653	728
	45%	495	529	635	734	819
	50%	550	588	706	816	910
	60%	660	706	847	979	1,092
	80%	878	941	1,130	1,306	1,457
	120%	1,320	1,413	1,695	1,959	2,184

POPULATION DEMOGRAPHICS (CENSUS 2000)
 LEON COUNTY WITHIN A 5 MILE RADIUS OF
 1055 CAPITAL CIRCLE NW, TALLAHASSEE

TOTAL AREA	73.44 SQUARE MILES
TOTAL POPULATION	95,754
RACE	
WHITE	57.4%
BLACK	37.4%
AMERICAN INDIAN/ALASKAN	0.3%
ASIAN	2.1%
PACIFIC ISLANDER	0.1%
OTHER RACE	1.2%
MIXED RACES	1.7%
HISPANIC (OF ANY RACE)	4.4%
MEDIAN AGE	23.5 YEARS
HOUSING UNITS	42,603
OCCUPIED	90.8%
VACANT	9.2%
OWNER OCCUPIED	34.8%
RENTER OCCUPIED	56.0%
AVERAGE HOUSEHOLD SIZE	1.9 PERSONS
EMPLOYED POPULATION AGES 16+	85.0%
HOUSEHOLD INCOMES	
< \$10,000	25.0%
\$10,000-19,999	19.1%
\$20,000-29,999	15.6%
\$30,000-39,999	11.4%
\$40,000-49,999	8.2%
\$50,000-59,999	6.1%
\$60,000-74,999	5.6%
\$75,000-99,999	5.3%
\$100,000+	3.6%
AVERAGE HOUSEHOLD INCOME	\$20,746

Cornerstone References

REFERENCES

Housing Authority: Housing Finance Authority of Broward County, 110 NE 3rd Street, Fort Lauderdale, FL 33301. Norman Howard, Interim Executive Director. (954) 765-5311

Housing Authority: Housing Authority of Metro-Dade County, 1401 NW 7th Street, Miami, FL 33125. Rene Rodriguez, Executive Director. (305) 644-5107

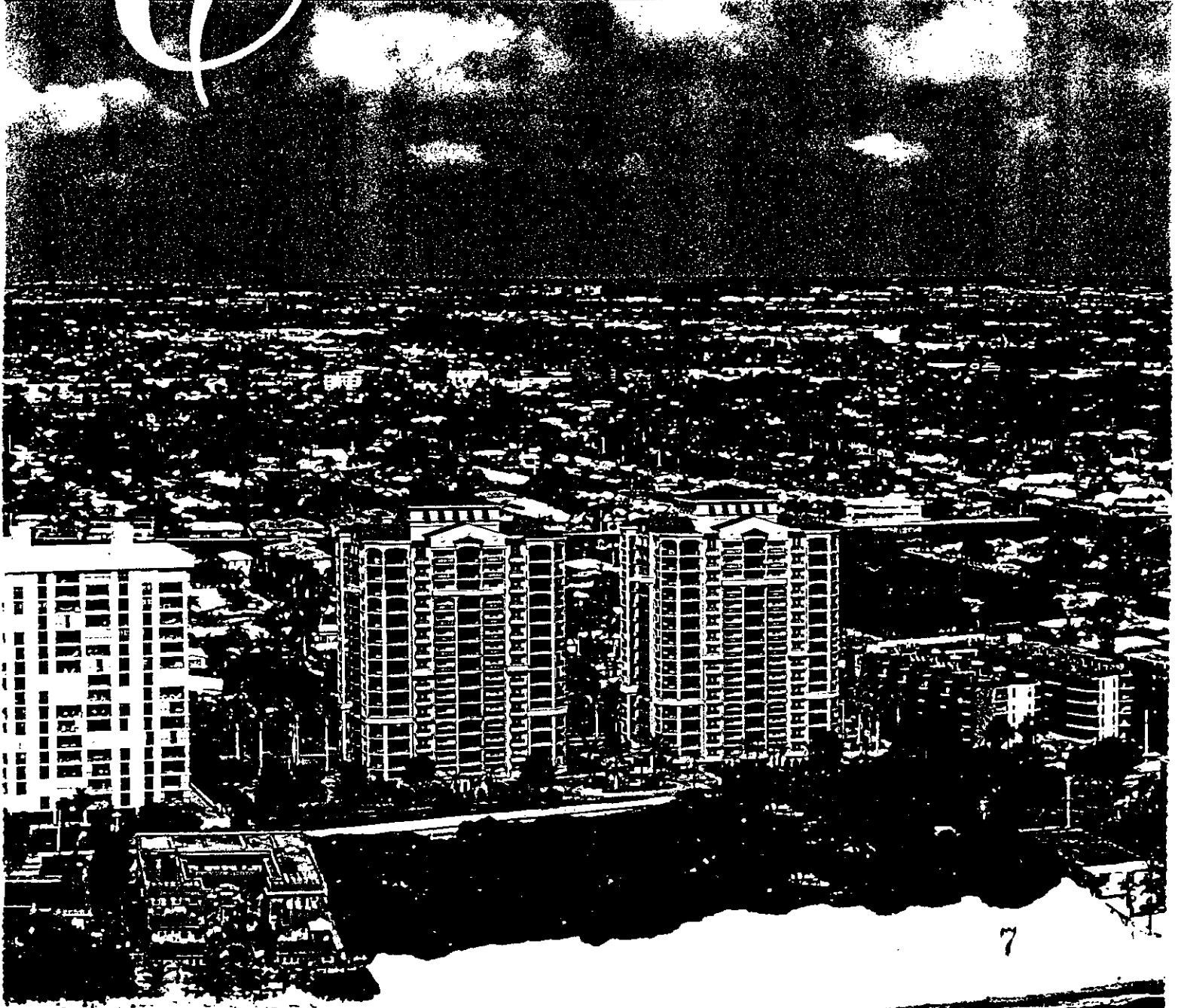
Tax Credit Investor: MMA Financial, 100 Arch Street, Boston, MA 02110. Barbara Tyrrell, Managing Director. (800) 782-7890, x561

Architect: Mouriz Salazar & Associates, 7695 SW 104th Street, Miami, FL 33156. Gabriel Salazar, (305) 273-9911

Financial Institution: Bank of America, 390 North Orange Avenue, Orlando, FL 32801. Cheryl Henry, Vice President, (407) 244-7027, or Mario Facella, Vice President, 100 SE 2nd Street, 14th Floor, Miami, FL 33131, (305) 423-4586.



CORNERSTONE SENIOR MANAGEMENT



7

MISSION STATEMENT AND PHILOSOPHY BUILDING COMMUNITIES THAT ENDURE

Financial strength. Proven performance. Depth of management expertise. These attributes have helped to propel Cornerstone Group from start-up to national leader in less than a decade. From its inception, the company's mission has been to create communities of enduring value and quality. And it has been able to stay true to its mission with a corporate philosophy that emphasizes integrity, respect and the value of strategic partnerships.

Company founders Stuart I. Meyers and Jorge Lopez started Cornerstone with more than 40 years of collective experience in multifamily residential development and property management to their credit. Their vision was, and remains today, to offer quality living at an affordable price, with unparalleled amenities and value in each of their residential communities.

As Cornerstone Group has expanded through diversification into areas that include development of market-rate and affordable rentals, luxury for sale properties, property management and communications, the senior management team has been strengthened with the addition of highly experienced executives to head each of its burgeoning divisions.

Key to its expansion into a fully integrated real estate firm has been its strong fiscal foundation. The firm works closely with financial groups and institutional investors to establish valuable strategic partnerships. As a result of these efforts, the company has a solid investment history and longstanding alliances with some of the nation's most prestigious financial institutions. The ready availability of capital through these associations has enabled Cornerstone to move quickly and decisively to take advantage of marketplace opportunities.

Cornerstone Group continues to occupy a position of leadership in multifamily development through its well-crafted growth strategy, fiscal strength and stability.



CORPORATE SENIOR MANAGEMENT:

FRONT ROW (L TO R): STUART I. MEYERS, CHAIRMAN AND JORGE LOPEZ, CO-CHAIRMAN, CORNERSTONE GROUP

MIDDLE ROW (L TO R): BRUCE ADAMS, CHIEF FINANCIAL OFFICER, CORNERSTONE GROUP;
MARA MADES, EXECUTIVE VICE PRESIDENT, CORNERSTONE GROUP DEVELOPMENT AND
LEON WOLFE, PRESIDENT, CORNERSTONE GROUP DEVELOPMENT

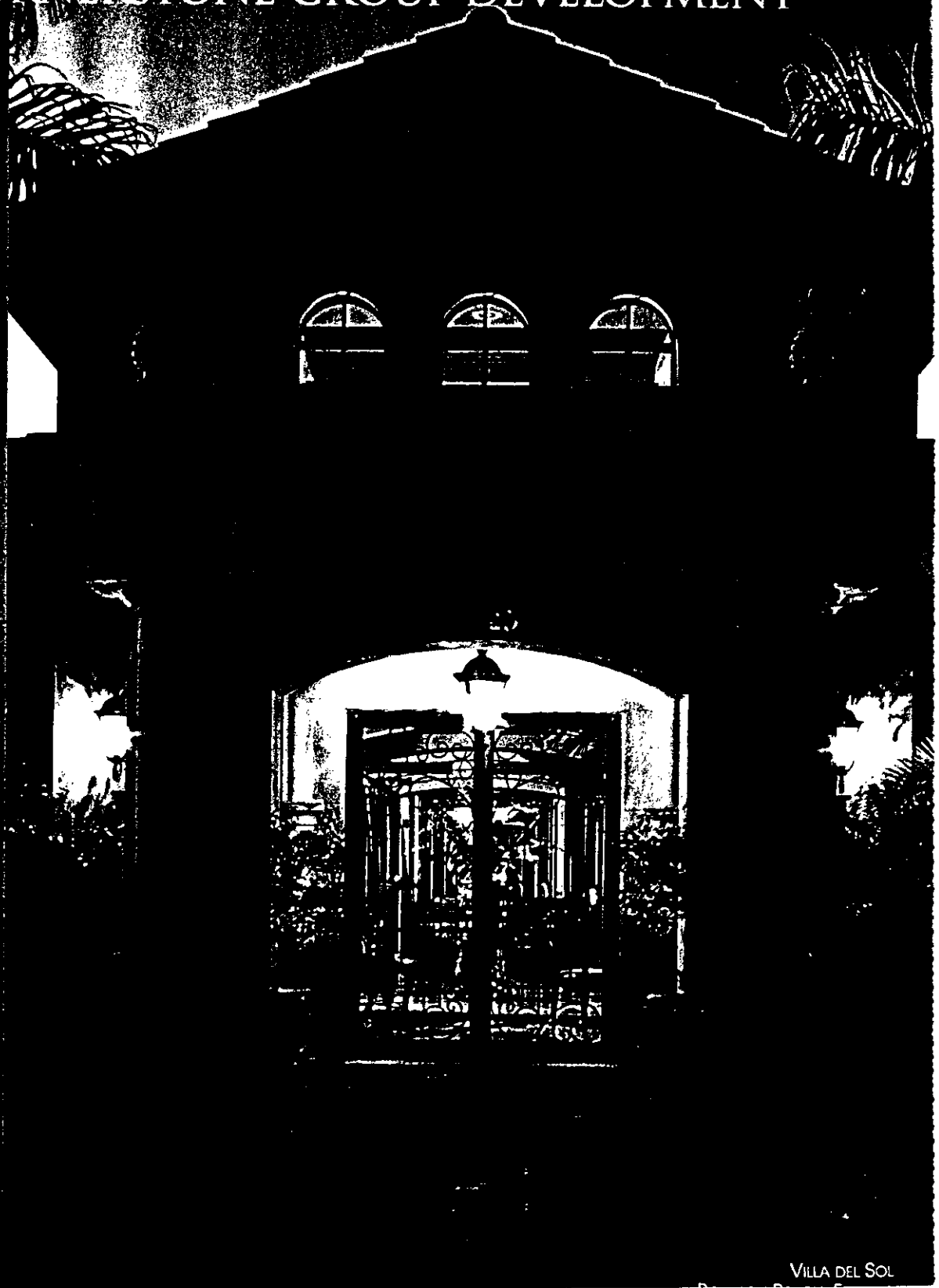
BACK ROW (L TO R): KEITH LUCAS, PRESIDENT, MAINSTREAM COMMUNICATIONS;
RICHARD LAMONDIN, PRESIDENT, CORNERSTONE PREMIER COMMUNITIES;
NOLA CASTILLO, PRESIDENT, CORNERSTONE RESIDENTIAL MANAGEMENT AND
FRANK WHITE, PRESIDENT, ALLIANCE CONSTRUCTION



SAN MARINO AT LAGUNA LAKES
WEST PALM BEACH, FLORIDA



CORNERSTONE GROUP DEVELOPMENT



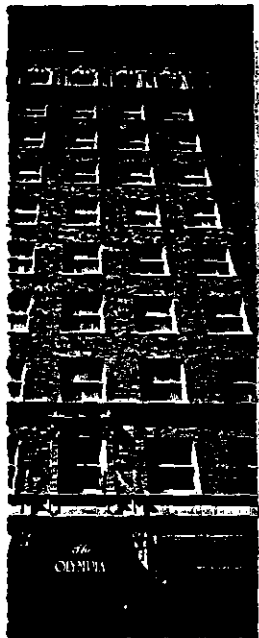
BUILDING COMMUNITIES OF EXCELLENCE

The communities we build are distinctive – whether in urban, suburban or rural settings, Cornerstone's high quality housing properties create value through lasting architectural improvements and superior amenity packages. Our development portfolio of nearly 50 high-quality apartment communities includes high-rise, mid-rise and garden-style designs, as well as mixed-use communities and re-developments of historic buildings. Several developments are restricted to senior occupants 55 years and over.

To best meet the housing needs of a community, we begin by researching area market trends and architectural influences, and engage top community professionals to gain a solid understanding of the local development process. Our team of more than 40 managers with expertise in every aspect of development, from zoning issues to architecture, underwriting to closing – represents all the disciplines needed to take a project from concept to completion.

With the emergence of a new trend in multifamily occupancy – established professionals who rent by choice, not necessity – Cornerstone has redefined the concept of apartment living. Cornerstone's rental properties represent an all-new five-star rental lifestyle that offers residents the highest level of service and amenities.

Cornerstone renters can choose from a wide variety of one-, two- and three-bedroom floor plans. To complement these impressive residential features, the communities offer a full roster of upscale amenities. Depending upon the development and market, these include a clubhouse, fitness center, business center and resort-style concierge services. Recreational facilities typically include indoor basketball and racquetball courts, tennis courts, volleyball courts, heated swimming pool, putting green and children's playground.



OLYMPIA BUILDING
MIAMI, FLORIDA



LEON WOLFE
PRESIDENT
CORNERSTONE GROUP DEVELOPMENT



MARA MAES
EXECUTIVE VICE PRESIDENT
CORNERSTONE GROUP DEVELOPMENT



CORNERSTONE PREMIER COMMUNITIES



LA PERLA OCEAN RESIDENCE
SUNNY ISLES BEACH, FLORIDA

BUILDING COMMUNITIES OF UNPARALLELED LUXURY



VUE RESIDENCES & BEACH CLUB
FT. LAUDERDALE, FLORIDA

Cornerstone Group's newest division – Cornerstone Premier Communities – is developing some of South Florida's most desirable luxury developments. With a unique understanding of the upscale buyer's demands and the ability to build residences of exceptional quality, Cornerstone Premier Communities has quickly established itself as a dominant player in the competitive condominium arena.

Currently three luxury communities are under development. La Perla, a \$100 million-plus condominium tower in Sunny Isles Beach is located

on one of the last remaining beachfront parcels in Miami-Dade County. The 42-story tower has 326 spacious residences, each with an ocean view.

Vue Residences & Beach Club in Fort Lauderdale offers a beachfront location that is minutes from premier shopping, dining and nightlife. Its exclusive design features five residences per floor, and virtually all are corner residences with beautiful Intracoastal and ocean views. Intimate in scale, Vue has a total of 76 residences in each of two mid-rise buildings.

The Preserve in Miami Shores is an exclusive townhome development featuring three-story townhomes with two and three-bedrooms. Set in a verdant wooded site, and framed by 50-year-old oak trees, nearly half of the development will be dedicated to open space.



RICHARD LAMON
PRESIDENT
CORNERSTONE PREMIER COMMUNITIES



THE PRESERVE
MIAMI SHORES, FLORIDA

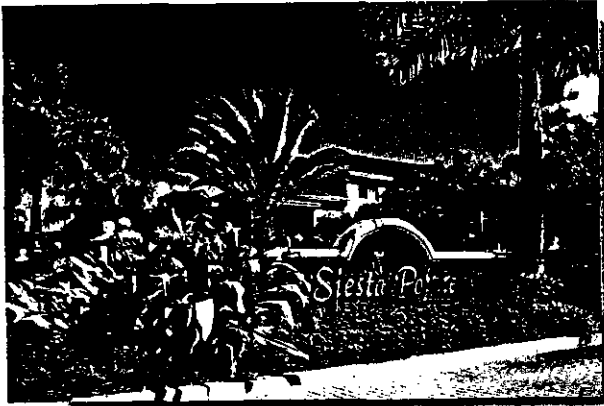


CORNERSTONE RESIDENTIAL MANAGEMENT



BRIDGEWATER PL
OAKLAND PARK, FLOR

BUILDING COMMUNITIES THAT ENRICH LIVES



SIESTA POINTE
MIAMI, FLORIDA

We take pride in the communities we create. Providing superior amenities and services that enrich the quality of life for all our residents is what makes Cornerstone rental communities stand out in the marketplace.

Each community is unique, requiring its own special blend of services and people to meet our high standards for the families who live there. Cornerstone Residential Management employs over 250 professionals to

handle the marketing, leasing, administration, accounting, compliance and other resident services for all our properties. We also manage selected but unaffiliated properties on a fee basis. Cornerstone excels in providing superior resident services such as educational and social activities. These services play an important role in the success of our nearly 50 apartment communities.

Cornerstone Residential Management has a broad base of experience in all types of multifamily apartment communities. We assemble a management team specifically designed for each individual property based on that community's needs. The team brings the requisite expertise in marketing, leasing, management and maintenance to each property.

Cornerstone's management team works to attract well-qualified residents who appreciate the quality of a Cornerstone managed community. Our on-site certified property managers work diligently to maintain our high standards throughout the property. The right match between the management team and the residents helps ensure the community's long-term success.



NOLA CASTILLO
PRESIDENT
CORNERSTONE RESIDENTIAL
MANAGEMENT



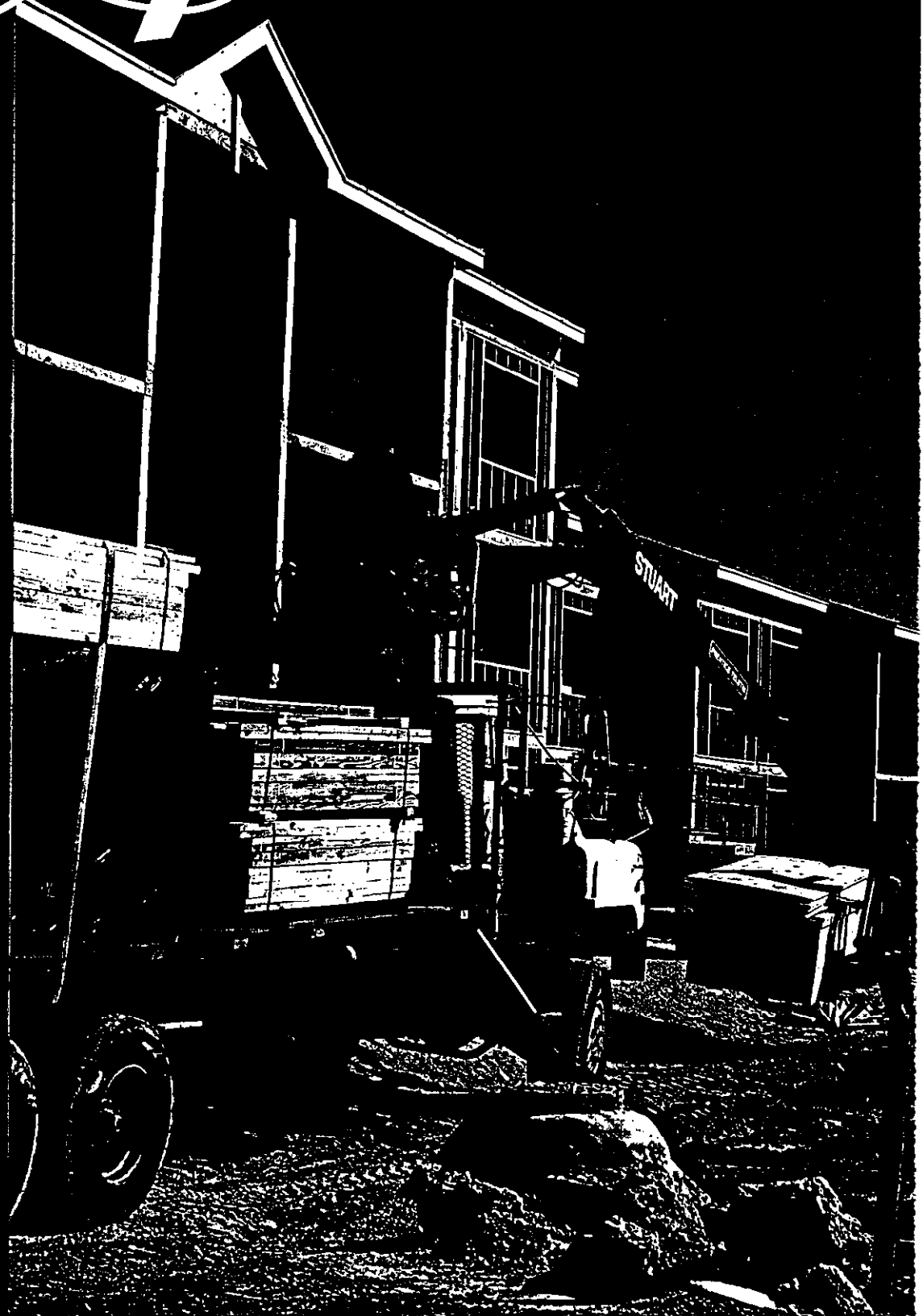
VILLA DEL SOL
BOYNTON BEACH, FLORIDA



SAN MARINO
NAPLES, FLORIDA



LLIANCE CONSTRUCTION



BUILDING COMMUNITIES THROUGH TEAMWORK

Construction is a business that demands teamwork. Partnerships are key to quality construction projects completed on time and on budget. Alliance Construction's staff is comprised of specialists in every field of construction. We have the added benefit of long-term relationships with a broad network of vendors and industry professionals. Over the years, we have established and maintained alliances with some of the region's top architects, engineers and subcontractors. The result is a project team of staff, vendors and partners who share a common pride in workmanship.

Effective and strategic planning is essential to the success of a project. Our project managers expedite the process by working closely with the owner, architect and other professionals to adhere to budget and time constraints. By providing detailed schedules and cost analysis data, we are able to accurately track progress and suggest modifications and value engineering as needed.

Meticulous attention to detail, a "hands-on" management philosophy, and the ability to creatively resolve challenges has built a satisfied and diversified clientele for our full-service construction firm. From new construction to renovation of commercial and residential projects; from garden-style and mid-rise to high-rise construction; from multifamily dwellings to single-family homes, Alliance Construction has the resources, expertise and superior bonding capacity to deliver the highest quality finished product.



FRANK WHITE
PRESIDENT
ALLIANCE CONSTRUCTION





CORNERSTONE PREMIER COMMUNITIES



LA PERLA OCEAN RESIDENCE
SUNNY ISLES BEACH, FLORIDA

BUILDING COMMUNITIES THROUGH TECHNOLOGY

Engineered to excel, Mainstream Communications equips, operates and maintains residential and commercial developments for telephone, security, Internet, cable and satellite television services.

As home communications technology continues to evolve, Mainstream Communications remains at the forefront, providing Cornerstone communities with the most recent advancements. As a private cable operator, we now provide every new property with installation and maintenance of satellite television. Cornerstone is also at the cutting-edge of communities wired for high-speed Internet access – we are often the only multifamily building in a region that is DSL-ready. These distinct competitive advantages allow Cornerstone to translate technology into revenue.

Mainstream adds another dimension to Cornerstone's emphasis on amenities. Technology-ready apartments and condominiums offer tremendous

appeal to tenants and owners – adding value and desirability to Cornerstone communities.



KEITH LUCAS
PRESIDENT
MAINSTREAM COMMUNICATIONS



ORNERSTONE CORPORATE FINANCE, ACCOUNTING AND ADMINISTRATION



SENIOR FINANCE/ACCOUNTING/ADMINISTRATIVE MANAGEMENT

L TO R: ERIC WEINER, ASSET MANAGER;
TAMI L. WEAVER, CONTROLLER-CONSTRUCTION;
BRUCE ADAMS, CHIEF FINANCIAL OFFICER;
MAUREEN O'CONNOR, CONTROLLER-OPERATIONS;
KARR SHANNON, CONTROLLER-DEVELOPMENT

FINANCE, ACCOUNTING AND ADMINISTRATION

The key to its expansion into a fully integrated real estate firm has been Cornerstone's strong fiscal foundation. The firm works closely with financial groups and institutional investors to establish valuable strategic partnerships. As a result of these efforts, the company has a solid investment history and longstanding alliances with some of the nation's most prestigious financial institutions. The ready availability of capital through these associations has enabled Cornerstone to move quickly and decisively to take advantage of marketplace opportunities.

Cornerstone Group shares the vision of its investors in achieving their goals. The company is committed to capturing local market opportunities – whether it be opening new markets in emerging neighborhoods or developing prime waterfront parcels. Within a thorough and proven decision-making framework, Cornerstone Group's developments consistently meet with the praise of the lending community.

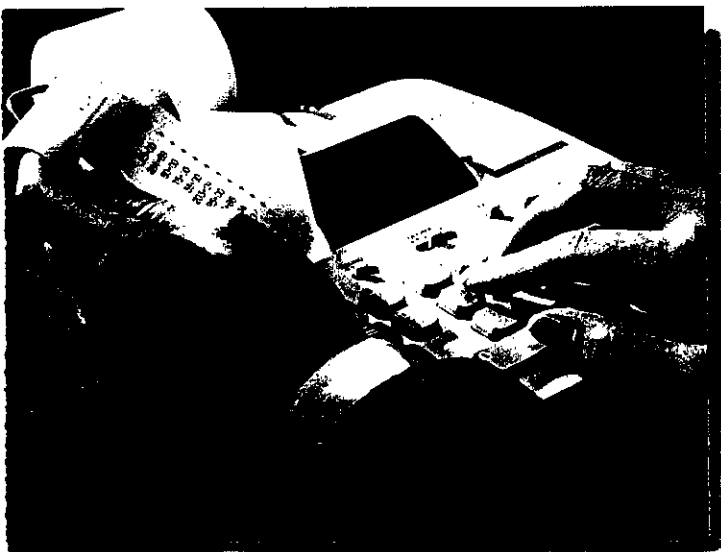
Cornerstone oversees each development from the owner/investor perspective in order to maximize financial returns while minimizing risk. The company excels in optimizing each property's operating results and achieving long-term superior performance. Cornerstone uses an advanced computer information system networked directly to each of its managed com-

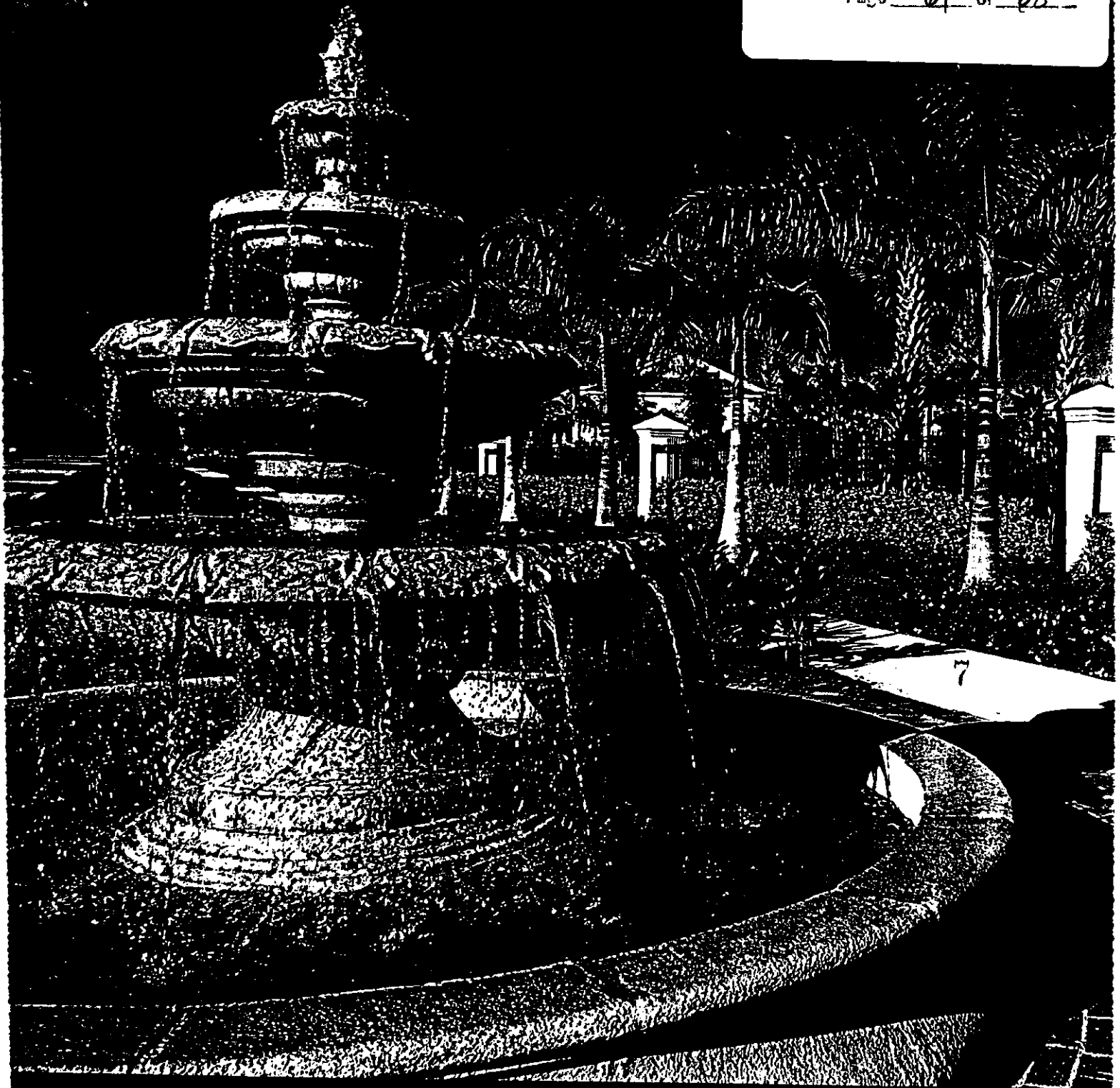
munities to provide individualized reports for lenders, investors and other interested parties.

Since its founding, Cornerstone Group has generated a consistently growing stream of operating revenue, while providing superior returns that have met or exceeded owner/investor and lender demands.



BRUCE ADAMS
CHIEF FINANCIAL OFFICER
CORNERSTONE GROUP





VILLA DEL SOL
BOYNTON BEACH, FLORIDA

CORNERSTONE GROUP



LEASING
CENTER



SAN MARINO AT LAGUNA LAKES
WEST PALM BEACH, FLORIDA

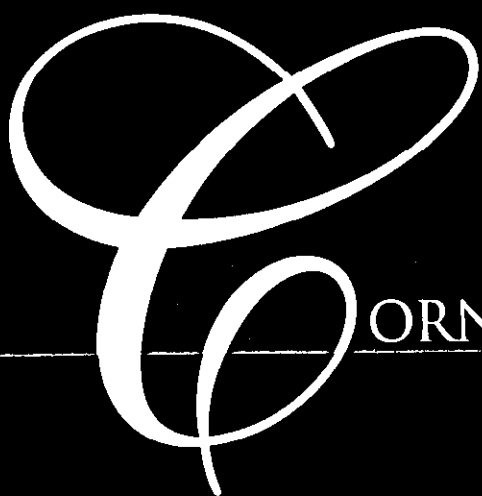
NATIONAL APARTMENT ASSOCIATION PARAGON AWARD
SAN MARINO AT LAGUNA LAKES, NAMED
BEST GARDEN/TOWNHOUSE COMMUNITY
May 1999



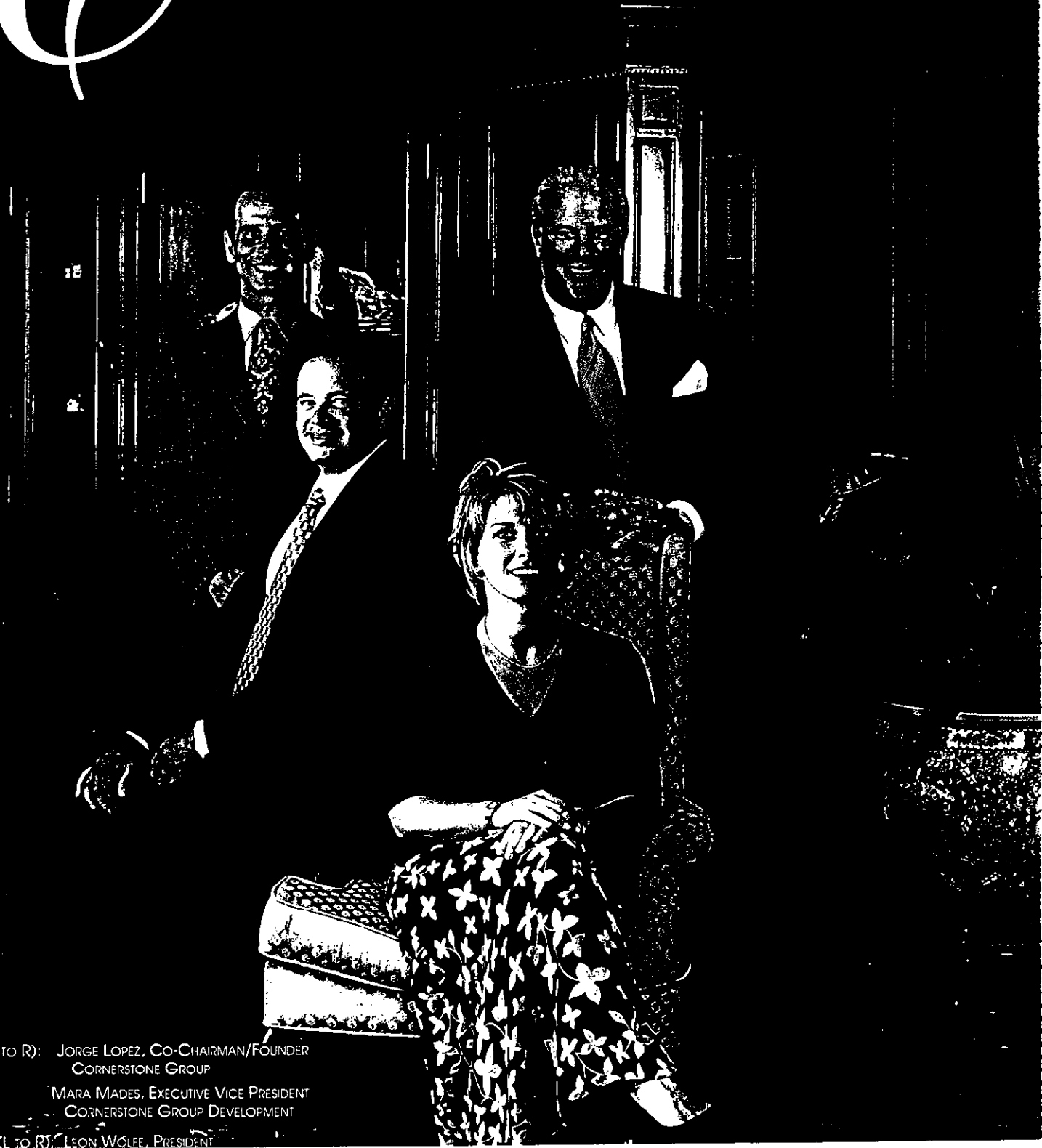
VILLA DEL SOL
BOYNTON BEACH, FLORIDA

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CORNERSTONE PARTNERS



SITTING (L TO R): JORGE LOPEZ, CO-CHAIRMAN/FOUNDER
CORNERSTONE GROUP
MARA MADES, EXECUTIVE VICE PRESIDENT
CORNERSTONE GROUP DEVELOPMENT
STANDING (L TO R): LEON WOLFE, PRESIDENT

CORNERSTONE GROUP FOUNDERS' AND PARTNERS' MESSAGE

Building communities. It's more than just what we do. It defines who we are as a company. We create communities for families to call home. We create communities with lasting value.

Founded in 1993, Cornerstone Group has since developed nearly 50 apartment communities consisting of more than 15,000 multifamily rental and condominium units throughout Florida. We began as a small, privately held start-up company, and through strategic planning and diversification, we are now ranked as the 10th largest multifamily developer in the United States – the fifth largest in Florida -- by *The National Association of Home Builders*.

Throughout our company's history, our commitment to quality has remained steadfast. We set exceptional but attainable standards for our communities in every market we enter, and always provide superior amenities and management.

We also create a sense of community for our employees – whose teamwork and talents have been integral to our success throughout our history. We take pride in their contributions, their unique abilities and their unwavering pledge of excellence.

For our corporate investors, we have consistently delivered excellent, highly stable, low-risk returns. It is this fiscal prudence that has gained us the respect and partnership of some of the country's leading financial groups and institutional investors.

We currently operate five integrated but wholly independent divisions to develop and manage our properties. As our expansion continues, Cornerstone Premier Communities develops luxury condominiums; Cornerstone Group Development creates market-rate and affordable rental communities; Cornerstone Residential Management is our leasing and property management division; Alliance Construction provides general contracting and construction management services; and Mainstream Communications offers cable, satellite, telephone communications as well as alarm/security products and services to residential and commercial developments.

We are immensely proud of our growth and achievements during the first decade of Cornerstone's history. Together with our partners, valued employees and associates, we have created a company of strength and quality. We look forward to creating communities for the future, and together charting a course for our continued success.



STUART I. MEYERS
CHAIRMAN AND FOUNDER



JORGE LOPEZ
CO-CHAIRMAN AND FOUNDER